Food and Agricultural
Policy Research Institute
FAPRI
University of Missouri

August 2011

FAPRI-MU August 2011 Baseline Update for US Agricultural Markets

FAPRI-MU Report #10-11

Published by the Food and Agricultural Policy Research Institute (FAPRI) at the University of Missouri (MU), 101 Park DeVille Drive, Suite E; Columbia, MO 65203 in August 2011. FAPRI–MU is part of the College of Agriculture, Food and Natural Resources (CAFNR).

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Droughts, floods and changing economic conditions have created tight supplies in many agricultural markets, resulting in record prices for several commodities. This report provides an update of the 2011 FAPRI-MU long-term baseline to reflect information available in mid-August 2011.

Wet conditions and flooding delayed, or in some cases prevented, the planting of many acres in the Corn Belt and Northern Plains. Continuing drought in the Southern Plains and hot and dry conditions in many other regions have limited yield prospects. The expectation of reduced 2011 crop production has been a major factor behind significant increases in prices for corn and other major crops.

Short crop supplies have contributed to higher feed costs which continue to pressure meat and dairy producers and remain a major risk to the livestock industry outlook. High feed costs have slowed growth in livestock production and contributed to a sharp decline in domestic per capita meat consumption since 2007. Though consumer demand has improved for beef and pork products, particularly in international markets, poultry producers remain in a difficult situation. If demand improves as expected during the next couple of years, meat and milk producers should be able to endure higher input costs without further downsizing. Consumer prices for meat products will continue to post sharp gains into 2012.

This baseline utilizes macroeconomic projections prepared in July 2011 by IHS Global Insight, Inc., a private forecasting group. For the next three years, U.S. economic growth remains below 3% per year and the unemployment rate stays above 8%. Inflation remains subdued, and interest rates slowly increase as the economy recovers. IHS Global Insight forecasts that oil prices will exceed $100 per barrel in 2012 and rise in subsequent years.

The baseline assumes current agricultural and biofuel policies. Provisions of the 2008 farm bill are assumed to be extended when they would otherwise expire. Consistent with baseline assumptions by the Congressional Budget Office, however, the ethanol tax credit and tariff are assumed to expire on schedule at the end of 2011. The baseline assumes that the Environmental Protection Agency (EPA) will adopt its proposal to implement the 2012 Renewable Fuel Standard (RFS). EPA has proposed that the 2012 shortfall in meeting the cellulosic biofuel mandate should be made up by increasing use of other advanced biofuels. Here it is assumed that difficulties in sourcing this volume of fuel will cause EPA to reduce both the total and advanced RFS by about 75% of the growth in the cellulosic mandate from 2013 onwards.

The projections cover a number of major US agricultural commodities, including corn, ethanol, wheat, soybeans, upland cotton, rice, beef, pork, poultry and dairy products. The tables cover the period through the 2016/17 marketing year for crops and through 2016 for livestock and dairy.

This update should not be confused with a “full” FAPRI-MU baseline exercise. The focus is on the near-term outlook for a few major commodities, and the projections are not subject to external review. Work on the next full 10-year FAPRI-MU baseline will begin later this fall, with the development of a preliminary baseline that will be reviewed at a workshop. Reviewer comments and other new information will be incorporated in the final baseline, which will be prepared in early 2012.

US Wheat Supply and Utilization

June-May year	09/10	10/11	11/12	12/13	13/14	14/15	15/16	16/17
Area				(Million acres)				
Planted area	59.2	53.6	55.2	55.4	55.8	54.7	54.4	54.2
Harvested area	49.9	47.6	45.9	47.8	47.9	47.0	46.7	46.5
				(Bushels per harvested acre)				
Yield	44.5	46.4	45.2	45.3	45.7	46.1	46.4	46.8
				(Million bushels)				
Supply	2,993	3,281	3,035	2,960	2,977	2,967	2,974	2,982
Beginning stocks	657	976	861	680	676	692	691	691
Production	2,218	2,208	2,077	2,164	2,188	2,163	2,170	2,178
Imports	119	97	98	116	113	112	112	113
Domestic use	1,138	1,131	1,253	1,201	1,211	1,222	1,234	1,242
Feed and residual	150	129	234	172	171	172	175	174
Seed	69	73	78	76	74	74	74	75
Food and other	919	930	940	953	966	976	985	993
Exports	879	1,289	1,103	1,083	1,075	1,053	1,048	1,054
Total use	2,018	2,420	2,355	2,284	2,285	2,276	2,283	2,296
Ending stocks	976	861	680	676	692	691	691	686
Under loan	51	15	9	12	15	16	16	15
Other stocks	925	846	671	664	677	676	675	671
Prices, program provisions				(Dollars per bushel)				
Farm price	4.87	5.70	7.44	6.92	6.57	6.48	6.47	6.55
Loan rate	2.75	2.94	2.94	2.94	2.94	2.94	2.94	2.94
Target price	3.92	4.17	4.17	4.17	4.17	4.17	4.17	4.17
Direct payment rate	0.52	0.52	0.52	0.52	0.52	0.52	0.52	0.52
				(Million acres)				
Base area	73.9	73.0	73.0	73.1	73.1	73.1	73.1	73.1
				(Bushels per acre)				
Direct payment yield	34.4	34.4	34.4	34.4	34.4	34.4	34.4	34.4
CCP yield	36.0	36.0	36.0	36.0	36.0	36.0	36.0	36.0
Market returns				(Dollars)				
Gross market revenue/a.	216.50	264.24	336.43	313.70	300.17	298.26	300.55	306.97
Variable expenses/a.	121.56	110.27	130.08	141.53	145.14	146.86	148.56	151.52
Market net return/a.	94.94	153.97	206.35	172.16	155.03	151.41	152.00	155.45

US Corn Supply and Utilization

September-August year	09/10	10/11	11/12	12/13	13/14	14/15	15/16	16/17
Area				(Million acres)				
Planted area	86.4	88.2	92.3	92.0	90.1	89.7	89.9	90.3
Harvested area	79.5	81.4	84.4	84.6	82.9	82.5	82.6	83.0
				(Bushels per harvested acre)				
Yield	164.7	152.8	153.0	162.5	165.1	167.6	170.0	172.4
				(Million bushels)				
Supply	14,774	14,185	13,874	14,547	14,690	14,861	15,108	15,390
Beginning stocks	1,673	1,708	940	775	988	1,021	1,045	1,055
Production	13,092	12,447	12,914	13,752	13,683	13,820	14,043	14,315
Imports	8	30	20	20	20	20	20	20
Domestic use	11,086	11,420	11,308	11,706	11,801	11,925	12,162	12,401
Feed and residual	5,125	5,000	4,952	5,136	5,138	5,189	5,173	5,170
Fuel alcohol	4,591	5,020	4,959	5,138	5,213	5,272	5,517	5,752
HFCS	513	525	531	546	555	561	563	564
Seed	22	23	23	22	22	22	22	22
Food and other	835	852	844	864	873	881	887	893
Exports	1,980	1,825	1,791	1,854	1,869	1,891	1,891	1,919
Total use	13,066	13,245	13,099	13,560	13,670	13,816	14,053	14,320
Ending stocks	1,708	940	775	988	1,021	1,045	1,055	1,070
Under loan	147	100	47	103	112	120	119	116
Other stocks	1,561	840	728	885	909	925	936	954
Prices, program provisions				(Dollars per bushel)				
Farm price	3.55	5.25	6.46	5.46	5.35	5.28	5.30	5.36
Loan rate	1.95	1.95	1.95	1.95	1.95	1.95	1.95	1.95
Target price	2.63	2.63	2.63	2.63	2.63	2.63	2.63	2.63
Direct payment rate	0.28	0.28	0.28	0.28	0.28	0.28	0.28	0.28
				(Million acres)				
Base area	85.1	84.1	84.1	84.1	84.1	84.1	84.1	84.1
				(Bushels per acre)				
Direct payment yield	102.5	102.5	102.5	102.5	102.5	102.5	102.5	102.5
CCP yield	114.5	114.5	114.5	114.5	114.5	114.5	114.5	114.5
Market returns				(Dollars)				
Gross market revenue/a.	584.68	802.32	988.80	887.63	884.00	884.46	901.55	924.27
Variable expenses/a.	298.97	277.69	320.11	345.14	356.66	360.14	362.69	368.91
Market net return/a.	285.71	524.63	668.69	542.49	527.34	524.32	538.86	555.37

US Ethanol Supply and Use

September-August year	09/10	10/11	11/12	12/13	13/14	14/15	15/16	16/17
Petroleum fuel prices				(Dollars per barrel)				
Petroleum, W. Texas interm.	76.65	92.84	101.64	106.28	110.05	113.89	117.77	120.43
Petroleum, refiners acquisition	74.10	94.16	104.44	109.04	110.35	110.74	113.43	116.02
				(Dollars per gallon)				
Unl. gasoline, FOB Omaha	2.09	2.72	2.88	2.97	3.00	3.01	3.08	3.15
Unleaded gasoline, retail	2.71	3.32	3.51	3.60	3.65	3.69	3.80	3.88
Ethanol supply and use				(Million gallons)				
Production	12,670	13,796	13,753	14,329	14,623	14,884	15,670	16,450
From corn	12,445	13,574	13,518	14,056	14,311	14,525	15,251	15,958
From other feedstocks	224	220	222	225	228	228	236	250
Cellulosic	1	2	13	47	84	130	183	242
Imports (ethyl alcohol)	175	137	368	813	1,250	2,325	3,002	3,691
Domestic disappearance	12,471	13,010	13,120	14,128	15,026	16,101	17,678	19,285
In low-level blends	12,307	12,840	12,948	13,928	14,802	15,846	16,489	16,738
In flex fuel vehicles	164	170	172	199	224	255	1,189	2,546
Exports (ethyl alcohol)	261	771	1,002	966	827	1,089	958	822
Ending stocks	730	858	858	906	926	944	982	1,016
Ethanol prices				(Dollars per gallon)				
Conventional rack, Omaha	1.82	2.54	2.54	2.29	2.25	2.21	2.28	2.39
Other advanced rack		2.54	3.18	2.76	2.70	2.74	2.81	2.92
Effective retail	1.97	2.67	2.95	2.80	2.68	2.49	2.36	2.50
Ethanol/gasoline retail	72.6%	80.3%	84.1%	77.8%	73.4%	67.3%	61.9%	64.3%
RIN values				(Dollars per gallon)				
Conventional ethanol	0.02	0.02	0.07	0.12	0.22	0.40	0.65	0.63
Other advanced ethanol		0.02	0.71	0.59	0.67	0.94	1.18	1.15

US Soybean Supply and Utilization

September-August year	09/10	10/11	11/12	12/13	13/14	14/15	15/16	16/17
Area				(Million acres)				
Planted area	77.5	77.4	75.0	77.5	78.4	78.5	78.3	78.1
Harvested area	76.4	76.6	73.8	76.4	77.4	77.5	77.3	77.1
				(Bushels per harvested acre)				
Yield	44.0	43.5	41.4	44.1	44.7	45.2	45.7	46.3
				(Million bushels)				
Supply	3,512	3,495	3,301	3,542	3,684	3,732	3,770	3,805
Beginning stocks	138	151	230	152	210	215	221	223
Production	3,359	3,329	3,056	3,374	3,458	3,501	3,534	3,567
Imports	15	15	15	15	15	15	15	15
Domestic use	1,862	1,770	1,749	1,865	1,926	1,960	1,988	2,011
Crush	1,752	1,645	1,640	1,751	1,807	1,838	1,864	1,886
Seed and residual	110	125	109	114	119	122	124	125
Exports	1,499	1,495	1,400	1,466	1,542	1,551	1,559	1,570
Total use	3,361	3,265	3,148	3,331	3,468	3,511	3,547	3,581
Ending stocks	151	230	152	210	215	221	223	224
Under loan	8	7	3	4	5	5	6	6
Other stocks	143	223	150	206	211	215	217	218
Prices, program provisions				(Dollars per bushel)				
Farm price	9.59	11.35	13.53	12.87	12.77	12.60	12.64	12.72
Illinois processor price	9.92	13.11	13.81	13.16	13.07	12.90	12.94	13.01
Loan rate	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Target price	5.80	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Direct payment rate	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44
				(Million acres)				
Base area	50.8	50.1	50.1	50.2	50.2	50.1	50.1	50.1
				(Bushels per acre)				
Direct payment yield	30.9	30.9	30.9	30.9	30.9	30.9	30.9	30.9
CCP yield	34.2	34.2	34.2	34.2	34.2	34.2	34.2	34.2
Market returns				(Dollars)				
Gross market revenue/a.	421.79	493.21	560.20	568.11	570.54	569.69	577.98	588.58
Variable expenses/a.	132.63	134.40	147.78	157.06	163.93	166.26	168.27	171.49
Market net return/a.	289.16	358.81	412.43	411.05	406.61	403.43	409.71	417.09
Other indicators								
Soybean/corn price ratio	2.70	2.16	2.09	2.36	2.39	2.39	2.38	2.37
48% soymeal price, $/ton	311.27	345.00	372.55	330.90	328.26	327.65	322.23	324.36
Soyoil price, cents/lb.	35.95	53.25	56.61	59.79	59.17	57.69	59.37	59.48
Crushing margin, $/bu.	1.51	1.35	1.51	1.52	1.48	1.46	1.49	1.48

US Upland Cotton Supply and Utilization

August-July year	09/10	10/11	11/12	12/13	13/14	14/15	15/16	16/17
Area				(Million acres)				
Planted area	9.01	10.77	13.44	11.50	10.68	10.49	10.44	10.45
Harvested area	7.39	10.50	9.38	9.92	9.20	9.03	8.99	9.01
				(Pounds per harvested acre)				
Yield	766	805	809	829	836	844	852	860
				(Million bales)				
Supply	17.82	20.53	18.56	20.40	20.48	20.53	20.66	20.85
Beginning stocks	6.03	2.93	2.74	3.27	4.46	4.65	4.69	4.70
Production	11.79	17.60	15.82	17.13	16.01	15.88	15.96	16.15
Imports	0.00	0.01	0.01	0.01	0.01	0.01	0.01	0.01
Domestic use								
Mill use	3.43	3.77	3.75	3.85	3.89	3.91	3.92	3.90
Exports	11.34	13.91	11.54	12.09	11.94	11.93	12.04	12.28
Total use	14.77	17.68	15.29	15.94	15.83	15.84	15.96	16.18
Unaccounted	0.12	0.12	0.00	0.00	0.00	0.00	0.00	0.00
Ending stocks	2.93	2.74	3.27	4.46	4.65	4.69	4.70	4.68
Prices, program provisions				(Dollars per pound)				
Farm price	0.629	0.815	0.944	0.840	0.815	0.812	0.817	0.829
Far East A index price	0.781	1.639	1.242	1.049	1.002	0.996	1.004	1.028
Adjusted world price	0.613	1.422	1.035	0.842	0.795	0.789	0.797	0.820
Loan rate	0.520	0.520	0.520	0.520	0.520	0.520	0.520	0.520
Target price	0.713	0.713	0.713	0.713	0.713	0.713	0.713	0.713
Direct payment	0.067	0.067	0.067	0.067	0.067	0.067	0.067	0.067
User payment	0.040	0.040	0.040	0.030	0.030	0.030	0.030	0.030
				(Million acres)				
Base area	18.13	18.10	18.10	18.11	18.10	18.10	18.10	18.10
				(Pounds per acre)				
Direct payment yield	595	595	595	595	595	595	595	595
CCP yield	631	631	631	631	631	631	631	631
Market returns				(Dollars)				
Gross market revenue/a.	570.25	748.86	875.52	808.96	794.45	798.55	810.78	829.55
Variable expenses/a.	449.17	476.99	514.77	536.78	554.66	561.06	567.56	578.56
Market net return/a.	121.08	271.87	360.75	272.18	239.79	237.49	243.22	250.99

US Rice Supply and Utilization

August-July year	09/10	10/11	11/12	12/13	13/14	14/15	15/16	16/17
Area				(Million acres)				
Planted area	3.14	3.64	2.68	2.90	2.91	2.98	3.05	3.12
Harvested area	3.10	3.62	2.64	2.87	2.88	2.95	3.02	3.09
				(Pounds per harvested acre)				
Yield	7,085	6,725	7,114	7,284	7,355	7,404	7,471	7,543
				(Million hundredweight)				
Supply	269.3	297.6	257.3	260.9	261.4	267.0	275.4	284.2
Beginning stocks	30.4	36.5	51.1	33.6	31.0	29.8	30.1	30.9
Production	219.9	243.1	188.1	209.2	211.9	218.3	225.9	233.3
Imports	19.0	18.0	18.1	18.1	18.6	19.0	19.5	20.0
Domestic use	124.4	133.0	127.1	129.7	131.4	133.0	134.5	136.0
Exports	108.3	113.5	96.6	100.1	100.3	103.9	110.1	116.5
Total use	232.8	246.5	223.7	229.9	231.7	237.0	244.6	252.5
Ending stocks	36.5	51.1	33.6	31.0	29.8	30.1	30.9	31.7
Prices, program provisions				(Dollars per hundredweight)				
Farm price	14.40	12.50	13.41	12.64	12.84	13.02	13.38	13.78
Adjusted world price	11.24	12.29	11.27	11.08	11.40	11.87	12.40	12.99
Loan rate	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50
Target price	10.50	10.50	10.50	10.50	10.50	10.50	10.50	10.50
Direct payment	2.35	2.35	2.35	2.35	2.35	2.35	2.35	2.35
				(Million acres)				
Base area	4.44	4.39	4.39	4.39	4.39	4.39	4.39	4.39
				(Pounds per acre)				
Direct payment yield	4,818	4,818	4,818	4,818	4,818	4,818	4,818	4,818
CCP yield	5,131	5,131	5,131	5,131	5,131	5,131	5,131	5,131
Market returns				(Dollars)				
Gross market revenue/a.	1020.25	840.61	953.73	920.38	944.23	964.06	999.45	1039.32
Variable expenses/a.	468.92	465.68	535.34	561.09	579.88	585.46	591.11	603.17
Market net return/a.	551.33	374.93	418.39	359.29	364.35	378.60	408.33	436.16

US Cattle Sector

Calendar year	2009	2010	2011	2012	2013	2014	2015	2016
				(Million head)				
Beef cows (Jan. 1)	31.7	31.4	30.9	30.4	30.1	30.4	30.9	31.5
Dairy cows (Jan. 1)	9.3	9.1	9.1	9.1	9.1	9.1	9.0	9.0
Cattle and calves (Jan. 1)	94.5	93.9	92.6	91.3	90.7	90.8	91.4	92.1
Calf crop	35.9	35.7	35.5	35.2	35.1	35.4	35.9	36.3
Calf death loss	2.3	2.3	2.3	2.2	2.2	2.2	2.2	2.3
Calf slaughter	1.0	0.9	0.9	0.9	0.9	0.9	0.9	0.9
Beef cow slaughter	3.4	3.7	3.5	3.2	2.9	2.8	3.0	3.2
Dairy cow slaughter	2.9	2.9	2.9	2.7	2.7	2.7	2.7	2.7
Bull slaughter	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6
Steer and heifer slaughter	26.7	27.2	26.9	26.5	26.1	26.0	26.2	26.6
Total slaughter	34.5	35.3	34.8	34.0	33.3	33.1	33.5	34.0
Cattle imports	2.0	2.3	2.3	2.3	2.4	2.4	2.4	2.4
Cattle exports	0.1	0.1	0.1	0.1	0.1	0.1	0.2	0.2
Cattle death loss	2.4	2.4	2.3	2.3	2.3	2.3	2.3	2.3
Residual	0.6	0.7	0.5	0.5	0.5	0.6	0.6	0.6
Cattle and calves (Dec. 31)	93.9	92.6	91.3	90.7	90.8	91.4	92.2	92.7
Cattle on feed (Jan. 1)	13.9	13.6	14.0	14.1	13.8	13.9	14.1	14.3
Supply				(Million pounds)				
Beginning stocks	642	565	585	560	545	545	550	565
Imports	2,626	2,297	2,206	2,415	2,661	2,787	2,839	2,801
Production	26,068	26,414	26,160	25,583	25,182	25,121	25,513	26,063
Total	29,336	29,276	28,951	28,558	28,388	28,453	28,902	29,428
Disappearance								
Domestic use	26,836	26,392	25,679	25,426	25,375	25,474	25,913	26,401
Exports	1,935	2,299	2,713	2,587	2,468	2,429	2,424	2,446
Total	28,771	28,691	28,392	28,013	27,843	27,903	28,337	28,847
Ending stocks	565	585	560	545	545	550	565	581
Per capita consumption				(Pounds)				
Carcass weight	87.3	85.1	82.0	80.4	79.5	79.1	79.6	80.4
Retail weight	61.1	59.6	57.4	56.3	55.7	55.3	55.8	56.3
Change	-2.6%	-2.5%	-3.6%	-1.9%	-1.2%	-0.6%	0.8%	0.9%
Prices								
Total all grades, 5-area				(Dollars per hundredweight)				
direct steers	83.25	95.38	112.29	118.52	120.00	120.27	118.79	116.25
600 - 650 #, Oklahoma								
City feeder steers	101.89	115.11	133.96	137.79	146.66	147.11	144.19	138.79
Utility cows, Sioux Falls	47.01	56.76	72.00	78.30	79.20	79.25	75.90	72.35
Boxed beef cutout	140.77	156.91	178.73	190.23	192.19	192.43	190.38	188.13
				(Dollars per pound)				
Beef retail	4.26	4.39	4.79	5.03	5.18	5.25	5.21	5.19
Change	-1.5%	3.2%	9.0%	5.1%	3.0%	1.2%	-0.8%	-0.3%
Cow-calf returns				(Dollars per cow)				
Receipts	520.14	596.09	698.68	722.76	761.22	763.14	746.62	719.44
Feed expenses	153.60	143.79	187.28	162.86	155.72	152.84	154.08	157.00
Non-feed expenses	398.12	408.29	452.93	459.93	479.26	491.72	502.77	505.30
Net returns	-31.59	44.01	58.47	99.97	126.24	118.57	89.78	57.13

US Swine Sector

Calendar year	2009	2010	2011	2012	2013	2014	2015	2016
				(Million head)				
Breeding herd (Dec. 1*)	6.06	5.85	5.78	5.80	5.80	5.83	5.85	5.79
Gilts added	3.12	2.98	3.06	3.00	3.08	3.10	3.01	2.91
Sow slaughter	3.27	2.99	2.98	2.95	2.98	3.02	3.01	2.93
Sows farrowed	11.90	11.63	11.57	11.64	11.73	11.83	11.83	11.74
Pigs per litter (head)	9.62	9.78	9.95	10.08	10.20	10.32	10.43	10.54
Market hogs (Dec. 1*)	61.1	59.0	59.1	59.9	61.0	62.0	63.0	63.4
Pig crop	114.5	113.7	115.2	117.4	119.7	122.0	123.4	123.8
Barrow and gilt slaughter	109.9	106.9	107.4	109.2	111.3	113.5	115.4	115.9
Hog imports	6.4	5.7	5.7	5.7	5.8	5.8	5.9	6.0
Hog exports	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Death loss/residual	13.0	12.4	12.6	12.8	13.1	13.3	13.5	13.5
Market hogs (Nov.30)	59.0	59.1	59.9	61.0	62.0	63.0	63.4	63.7
Supply				(Million pounds)				
Beginning stocks	635	525	541	514	513	527	545	561
Imports	834	859	886	885	910	902	904	931
Production	23,020	22,456	22,649	23,083	23,647	24,174	24,661	24,837
Total	24,489	23,840	24,076	24,483	25,069	25,603	26,110	26,328
Disappearance								
Domestic use	19,870	19,075	18,565	18,859	19,266	19,571	19,851	19,898
Exports	4,095	4,224	4,997	5,111	5,277	5,487	5,699	5,870
Total	23,964	23,299	23,562	23,970	24,543	25,058	25,550	25,768
Ending stocks	525	541	514	513	527	545	561	560
Per capita consumption				(Pounds)				
Carcass weight	64.6	61.5	59.3	59.7	60.4	60.7	61.0	60.6
Retail weight	50.1	47.7	46.0	46.3	46.8	47.1	47.3	47.0
Change	1.5%	-4.8%	-3.6%	0.6%	1.2%	0.6%	0.5%	-0.7%
Prices								
Barrows & gilts, national base				(Dollars per hundredweight)				
51-52% lean equivalent	41.24	55.06	64.91	69.03	65.41	61.96	59.18	61.07
Sows, IA-S. Minn. #1-2,								
300-400 Lb.	34.40	51.87	55.02	58.35	54.28	51.01	50.12	52.21
Pork cutout value	58.13	81.25	91.59	96.82	92.95	90.02	88.13	91.76
				(Dollars per pound)				
Pork retail	2.92	3.11	3.48	3.66	3.65	3.60	3.57	3.68
Change	-0.6%	6.6%	11.8%	5.3%	-0.5%	-1.3%	-0.8%	3.2%
Farrow - finish returns				(Dollars per hundredweight)				
Receipts	42.79	56.87	66.17	70.38	66.72	63.33	60.82	62.88
Feed expenses	31.25	32.02	42.63	45.29	38.50	37.70	37.36	37.42
Non-feed expenses	21.18	21.24	22.20	22.41	22.68	22.96	23.24	23.49
Net returns	-9.64	3.60	1.35	2.68	5.54	2.66	0.22	1.98

* Preceding year

US Poultry Supply and Use

Calendar year	2009	2010	2011	2012	2013	2014	2015	2016
Broiler				(Million pounds)				
Production	35,131	36,516	36,946	36,884	37,406	38,110	38,750	39,361
Imports	99	107	105	104	107	110	113	116
Domestic use	28,540	29,701	30,588	30,311	30,675	31,260	31,780	32,273
Exports	6,818	6,765	6,511	6,700	6,831	6,944	7,070	7,191
Ending stocks	616	773	726	703	710	726	739	751
Turkey								
Production	5,589	5,569	5,671	5,658	5,710	5,789	5,856	5,913
Imports	20	25	20	20	21	21	22	22
Domestic use	5,210	5,082	5,021	5,050	5,085	5,163	5,220	5,267
Exports	534	582	655	620	632	643	654	665
Ending stocks	262	192	207	215	228	232	236	239
Eggs				(Million dozens)				
Production	7,546	7,622	7,609	7,566	7,593	7,656	7,722	7,789
Imports	10	12	24	24	24	24	24	24
Domestic use	6,358	6,391	6,382	6,387	6,409	6,463	6,521	6,581
Hatching egg	955	983	969	954	956	962	968	972
Exports	242	258	282	250	253	255	258	260
Ending stocks	18	19	20	19	19	19	19	19
Prices				(Cents per pound)				
12 city wholesale broiler	77.60	82.92	82.55	88.49	91.01	92.15	93.66	95.10
Broiler retail	177.98	175.28	177.47	188.77	199.51	203.49	207.32	211.44
East. region, wholesale turkey	79.52	94.17	102.31	106.38	108.45	109.33	110.75	112.06
Turkey retail	139.60	147.67	159.82	165.41	170.12	172.45	174.85	177.63
				(Cents per dozen)				
NY grade A large egg	102.97	106.29	110.96	114.85	116.93	118.48	120.93	123.35
Shell egg retail	166.40	165.97	175.31	182.53	187.16	190.58	194.74	199.18
Per capita consumption				(Pounds)				
Broiler	92.8	95.8	97.7	95.9	96.1	97.0	97.7	98.2
Turkey	16.9	16.4	16.0	16.0	15.9	16.0	16.0	16.0
				(Eggs)				
Eggs	248.2	247.3	244.6	242.5	241.0	240.7	240.5	240.4
Feed-price ratios				(Ratios)				
Broiler	4.1	4.5	3.5	3.9	4.4	4.4	4.5	4.5
Turkey	5.0	6.2	5.3	5.4	6.1	6.1	6.2	6.2
Eggs	7.2	7.5	6.1	6.2	6.9	7.0	7.2	7.3

US Dairy Sector

Calendar year	2009	2010	2011	2012	2013	2014	2015	2016
US milk supply								
Dairy cows (thou. head)	9,203	9,117	9,092	9,121	9,070	9,040	9,019	9,003
Milk yield (lbs.)	20,573	21,149	21,502	21,744	22,058	22,331	22,601	22,858
Milk production (bil. lbs.)	189.3	192.8	195.5	198.3	200.1	201.9	203.8	205.8
Min. FMMO class prices	(Dollars per hundredweight)							
Class I mover	11.48	15.35	19.18	18.90	18.51	18.34	18.48	18.51
Class II	11.26	16.02	19.62	19.34	18.95	18.78	18.92	18.95
Class III	11.36	14.41	18.19	17.05	17.07	17.16	17.42	17.68
Class IV	10.89	15.09	18.92	18.64	18.25	18.08	18.22	18.25
All milk price	12.93	16.35	20.10	19.44	19.22	19.17	19.35	19.47
MILC payment	1.05	0.15	0.00	0.00	0.00	0.00	0.00	0.00
Wholesale prices	(Dollars per pound)							
Butter, CME	1.24	1.73	1.95	1.78	1.75	1.74	1.75	1.77
Cheese, Am., 40#, CME	1.30	1.50	1.82	1.71	1.71	1.73	1.75	1.78
Nonfat dry milk, AA	0.99	1.25	1.49	1.54	1.50	1.49	1.50	1.49
Evaporated	1.51	1.72	1.79	1.81	1.79	1.79	1.80	1.80
Dairy product production	(Million pounds)							
American cheese	4,203	4,275	4,490	4,562	4,622	4,684	4,748	4,812
Other cheese	5,872	6,161	6,283	6,363	6,472	6,573	6,679	6,785
Butter	1,572	1,564	1,601	1,642	1,646	1,646	1,650	1,652
Nonfat dry milk	1,695	1,772	1,850	1,880	1,862	1,847	1,844	1,835