HD
1433

FOR RELEASE
OCT. 30. P. M.

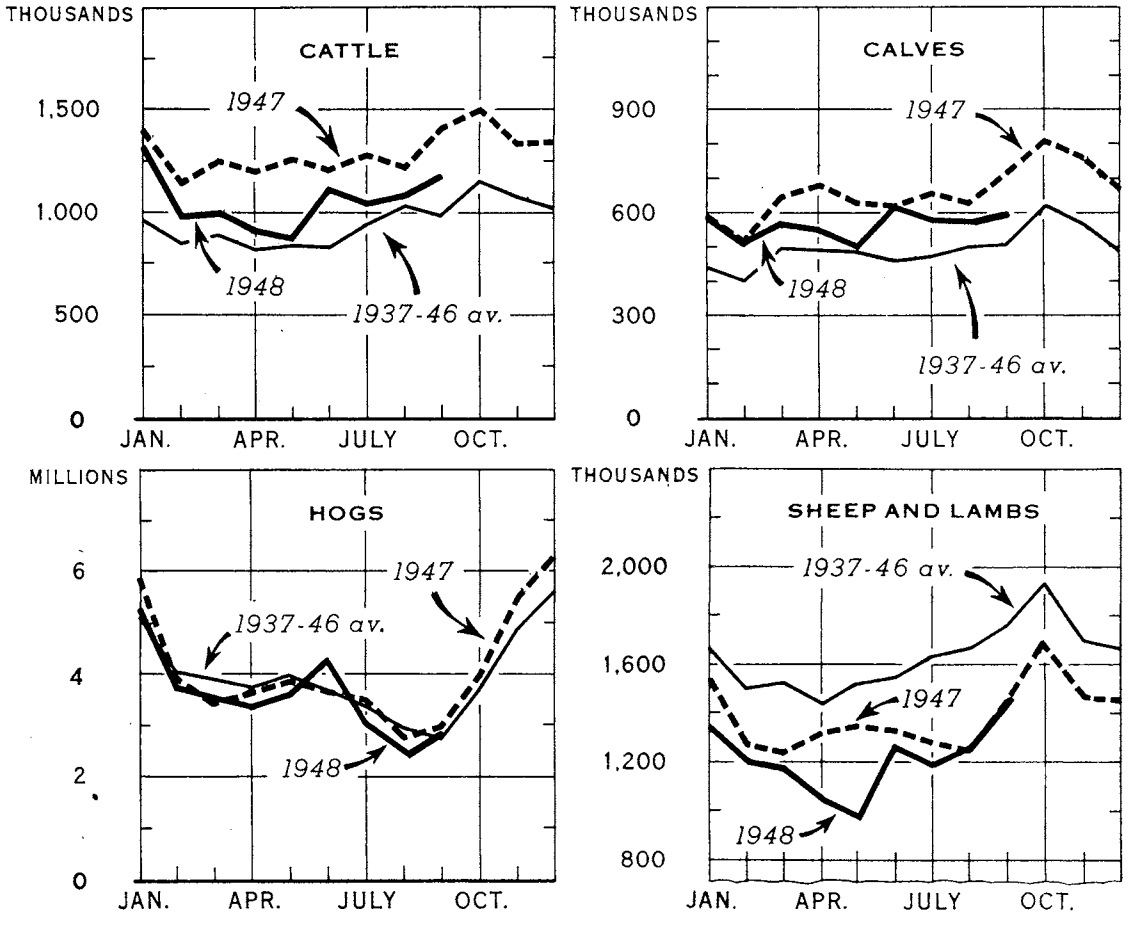
THE Livestock and Meat SITUATION

BUREAU OF AGRICULTURAL ECONOMICS
UNITED STATES DEPARTMENT OF AGRICULTURE

LMS-20 BAE OCTOBER 1948

NEW YORK
NOV 2 - 1948

NUMBER OF ANIMALS SLAUGHTERED UNDER FEDERAL INSPECTION, BY MONTHS, 1937-46 AVERAGE, 1947 AND 1948

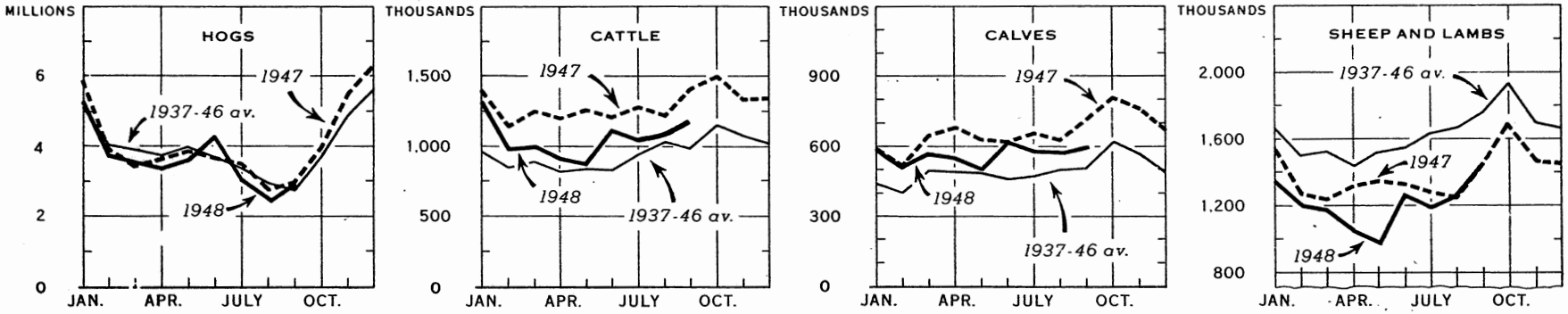


U. S. DEPARTMENT OF AGRICULTURE NEG. 46934 BUREAU OF AGRICULTURAL ECONOMICS

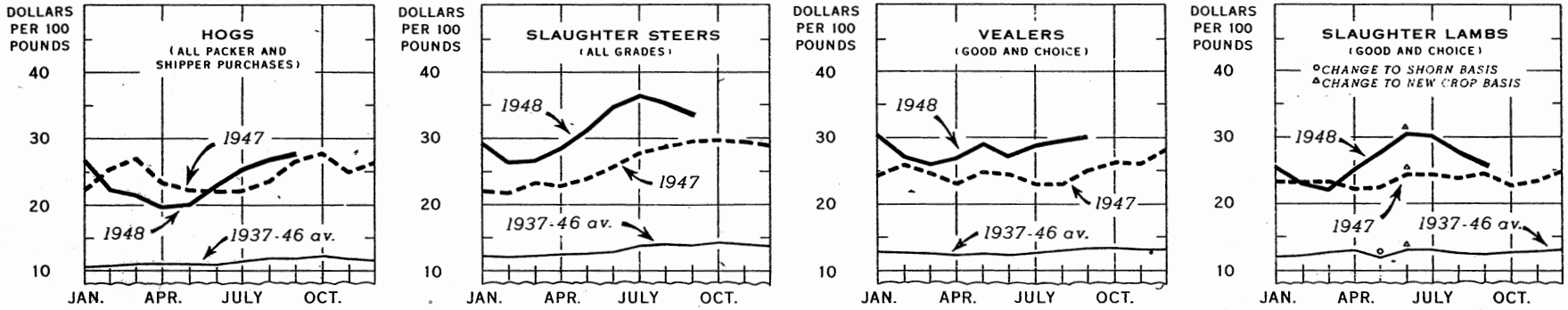
In the last two weeks of September, marketings of all four classes of meat animals increased rapidly. As a result, Federally inspected slaughter for the month was considerably larger than slaughter in August, and the increase between the two months was greater than normal for the season. Slaughter of sheep and lambs reached an earlier peak than in most years, and hogs were sent to slaughter early in the fall marketing period in greater numbers than had been expected.

LIVESTOCK AND MEAT SITUATION

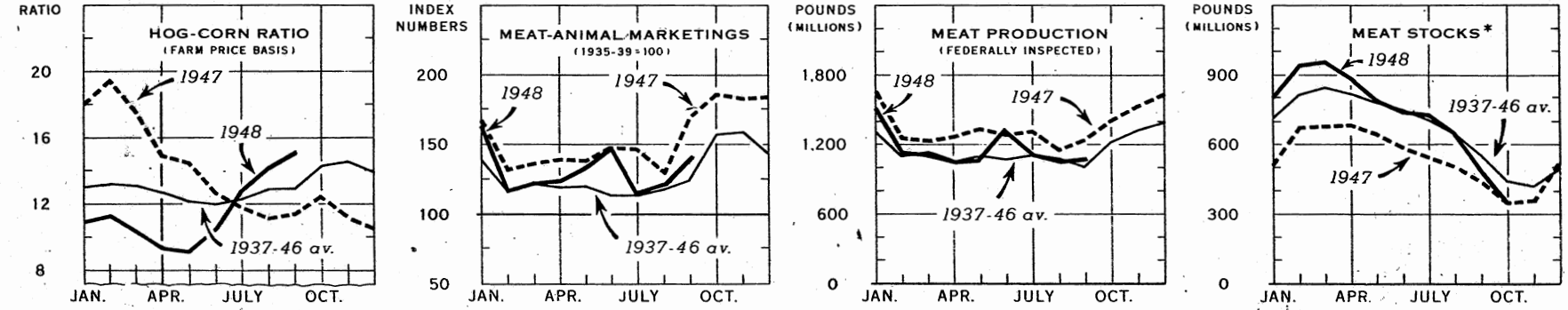
FEDERALLY INSPECTED SLAUGHTER, UNITED STATES



MARKET PRICES, CHICAGO



HOG-CORN RATIO, MEAT ANIMAL MARKETINGS, MEAT PRODUCTION, AND STOCKS, UNITED STATES



* BEEF, LAMB AND MUTTON, PORK, AND MISCELLANEOUS MEATS IN MEAT PACKING PLANTS AND COMMERCIAL COLD STORAGE HOUSES, BEGINNING OF MONTH

U. S. DEPARTMENT OF AGRICULTURE

NEG. 46691 BUREAU OF AGRICULTURAL ECONOMICS

THE LIVESTOCK AND MEAT SITUATION

Approved by the Outlook and Situation Board, October 22, 1948

SUMMARY

The fall increase in livestock marketings began abruptly in mid-September. Receipts of sheep and cattle moved toward their seasonal peak, as movements from range areas increased rapidly. More hogs also were marketed. Producers sent to market many of their first hogs to reach medium slaughter weights, probably in an attempt to get prices higher than those they expected later in the year.

Prices of meat animals generally declined as receipts increased, but later recovered somewhat. In mid-October, Chicago prices for hogs were approximately $3.00 or 10 percent lower than a month earlier, those for slaughter steers were $1.00 to $3.00 lower, slaughter lamb prices were $1.00 lower. Hog prices normally decline about 8 percent from September to October, but cattle and lamb prices change much less. Hog prices declined earlier and faster this fall than they usually do. Apparently most of the total fall seasonal decline in hog prices has already taken place.

Total meat output in late September and early October about equaled that of the same time in 1947. But livestock marketings and meat supplies have been less than a year earlier during most of 1948, and are likely to remain less through the next two months of seasonally increasing meat supplies. Total meat production in the October-December quarter is likely to be moderately smaller than in 1947. The reduction is due to the fewer cattle and sheep expected to be marketed from the smaller numbers on farms and ranches, and to the 3 percent fewer pigs saved last spring than in the spring of 1947. Meat consumption per civilian consumer in the fourth quarter may be around 3 pounds less than the 40.8 pounds in the fourth quarter of 1947.

The 1948 corn crop is an all-time record, and total supplies of feed concentrates of all kinds, although second in 1942-43, are the largest ever in relation to the livestock on hand. The big feed supplies will not increase meat production significantly the remainder of this year or early next year. No large increase in meat available to consumers can be expected until late in 1949. Additional output at that time will come from slaughter of hogs from the 1949 spring pig crop, which is likely to be much larger than the spring crop of 1948.

OUTLOOK

Meat Supplies Begin Seasonal Increase

The fall increase in marketings and slaughter of livestock began with an abrupt rise in numbers marketed in late September. The usual fall trend is for marketings of sheep and lambs and of cattle to increase to a peak in October, and for slaughter of hogs to be largest in December. Because the usual decline in sheep. lamb and cattle slaughter after October is more than offset by the further increase in hog slaughter, total meat production normally moves up to a high point in December.

This year, marketings in late September and early October increased faster than usual. Total livestock slaughter was about as large as a year earlier, although numbers on farms and ranches have been smaller. Cattle slaughter the week of September 20-25 was within 5 percent of that in the same week of 1947; sheep slaughter in three different weeks exceeded last year's; and hog slaughter was greater than a year before in four consecutive weeks beginning September 20. Under the pressure of these increased supplies, prices of meat animals generally declined for several weeks. Hog prices fell most.

Table 1.- Estimated federally inspected slaughter, by 2-week periods, July-October 1947 and 1948

Two-week periods ended	Cattle excl. calves			Hogs			Sheep and lambs		
	1948	1947	1948 as a % of 1947	1948	1947	1948 as a % of 1947	1948	1947	1948 as a % of 1947
	1,000 head			1,000 head			1,000 head		
July 17	444	582	76.3	1,394	1,603	87.0	525	582	90.2
July 31	501	570	87.9	1,287	1,395	92.3	548	549	99.8
Aug. 14	503	583	86.8	1,140	1,290	88.4	566	604	93.7
Aug. 28	505	551	91.7	1,118	1,247	89.7	605	573	105.6
Sept. 11	453	642	70.6	1,073	1,270	84.5	569	607	93.7
Sept. 25	591	658	89.8	1,393	1,427	97.6	734	725	101.2
Oct. 9	557	666	83.6	1,702	1,552	109.7	717	766	93.6
Oct. 23	552	638	86.5	1,955	1,792	109.1	786	706	111.3

Compiled from Livestock Market News, PMA

Following the temporary high volume, movement of meat animals to slaughter became more in line with seasonal expectations. The number of cattle slaughtered declined slightly, although as a total for the month, October slaughter will again be the seasonal maximum. Hog slaughter is still at a period of seasonal increase. General levels of slaughter and of meat supplies are now lower than they were in the corresponding time last year. Cattle slaughter, for example, in the first half of October was about one-fifth under last year. In fact, livestock marketings and meat supplies have been lower than a year earlier during most of 1948, and are likely to remain lower through the next two months of seasonally increasing total meat supplies.

Many Sheep and Cattle Marketed from West

The rapid increase in livestock slaughter was brought about mainly by stepped-up shipments of livestock from Western range areas and by expanded marketings of hogs. A relatively large number of sheep and lambs moved from Western ranges in September and early October. Receipts at Denver averaged 101,000 per week from September 12 to October 16, about 38 percent more than at the same time last year. Receipts at Omaha, although fewer in number than receipts at Denver, made an even larger percentage gain over a year earlier.

Cattle receipts at Denver were also larger in late September than a year before, and those at Omaha were about the same as last year.

These larger receipts from western range areas reflected mainly an early movement off range areas that have been hit by dry weather. The available supply is no larger than last year. The lamb crop in the 8 Mountain States, for example, was 7 percent smaller this year than last. Cattle and calf numbers in the same states at the beginning of this year were about the same as last year.

Increased September-early October marketings from Western States resulted partly from reduced range feed supplies. Dry warm weather in September caused range feed conditions to decline. The drop of 4 points in the index of condition was a record decline for the month. The condition of range feed on October 1 was the poorest for that date since 1939.

Hog Marketings Spurt;
Hog Prices Drop

Normally fewer hogs are slaughtered in August and September than at any other time of year, and hog prices reach their high point in September (table 2). From that time until December, the number marketed and slaughtered increases rather rapidly. This year, a delay in the seasonal rise in marketings has been expected, because spring pigs were born a little later than in 1947, and because farmers were believed likely to hold their hogs longer than usual in order to feed them on new corn.

However, hog marketings in September and early October increased rapidly. As late as the week of September 6-11, Federally inspected hog slaughter was about 20 percent smaller than in the same week of 1947. But in the week of October 2-9 it was 13 percent above the corresponding week last year.

Hog prices turned down sharply as hog receipts increased. Good and choice barrows and gilts of medium weights averaged around $29.00 at Chicago during most of September, fell about $1.50 by the end of the month, then reached $23.00 to $24.00 breifly early in October. Later they recovered moderately averaging about $26.00 the week of October 11-16.

The net decline of almost $3.00 between the middle of September and middle of October was a larger and faster price break than occurred at that time in 1947 or than usually occurs (see figure 1). From mid-June through most of September, hog prices averaged higher than a year earlier. Since prices did not decline seasonally until late in October last year, recent prices have been well below those of a year ago. The average of $24.96 per 100 pounds during the week ended October 9 was as low as the lowest price of last fall, reached in the middle of November.

Apparently, most of the total fall seasonal decline in hog prices has already occurred. However, the exceptional advance in prices that took place last December is not likely to be repeated this year. In fact, the increase in prices that usually begins in January may be somewhat delayed if many spring pigs are held for long feeding on new corn.

Table 2.- Prices of barrows and gilts at Chicago, by months, and by weeks September to December, 1947 and to date in 1948; and index of normal variation in prices by months

Period	Price at Chicago, per 100 pounds		Index of seasonal variation 1/
	1948	1947	
	Dollars	Dollars	Percent
January	27.06	22.85	94.3
February	22.48	26.12	97.3
March	21.64	27.36	100.5
April	19.98	23.80	98.3
May	20.32	22.67	99.1
June	23.62	23.32	100.3
July	27.97	24.74	105.7
August	29.56	26.31	108.0
September	28.84	28.17	110.8
October		28.09	101.5
November		25.10	93.1
December		26.62	91.1
Week ended			
Sept. 4	28.89	27.36	
11	28.72	28.70	
18	29.02	28.58	
25	29.43	27.81	
Oct. 2	28.10	29.08	
9	24.96	29.39	
16	26.11	29.37	
23	26.30	27.82	
30		25.91	
Nov. 6		25.56	
13		25.02	
20		24.89	
27		25.05	
Dec. 4		26.05	
11		26.07	
18		26.60	
25		27.90	

1/ Normal percentage ratio between price for each month and year average. Calculated from prices of hogs of all weights above 200 pounds.

Demand for pork for current consumption probably is at least as strong as last year. But storage demand was also strong a year ago. Cold-storage holdings of pork increased 512 million pounds from November 1 to March 1, compared with a 10-year average increase in storage stocks of 238 million pounds during that period. Cold-storage stocks are now slightly larger than a year ago, but small compared with most years. Following the most rapid August-September liquidation of stocks in 4 years, holdings on October 1 were down to 234 million pounds. This quantity was only 38 millions more than the stocks of the same date of 1947, and was smaller than those of any October 1 of record before 1945. If an average or less than average quantity of pork should be stored this winter, the weaker storage demand would especially affect hog price trends at the peak of the hog marketings season compared with those a year earlier.

Prices of cattle and sheep declined less between the middle of September and the middle of October than did those of hogs. Prices of slaughter steers at Chicago during the week of October 11-15 were around $1.00 to $3.00 lower than during September 13-18, and slaughter lamb prices were about $1.00 lower. The price change between the two months is usually small.

Total Slaughter and Meat Production This Fall Less than a Year Ago

Notwithstanding the rapid rise in slaughter in late September and early October, less meat probably will be produced in the fourth quarter this year than last. Cattle and lamb slaughter will total less than at the same time in 1947 largely because of smaller inventories and fewer animals raised. The 1948 lamb crop was 8 percent smaller than the 1947 crop, and cattle numbers at the beginning of the year continued the downtrend of the past several years. Hog slaughter also is likely to be less than in October-December 1947. This year's spring pig crop, the source of most hogs marketed in the current season, was 3 percent smaller than a year earlier. More gilts probably will be withheld from slaughter for breeding this fall and winter than last year. Moreover, more hogs may be held past December 31 this year than on the same date of 1947. Last year, December slaughter was unusually large in relation to the spring pig crop.

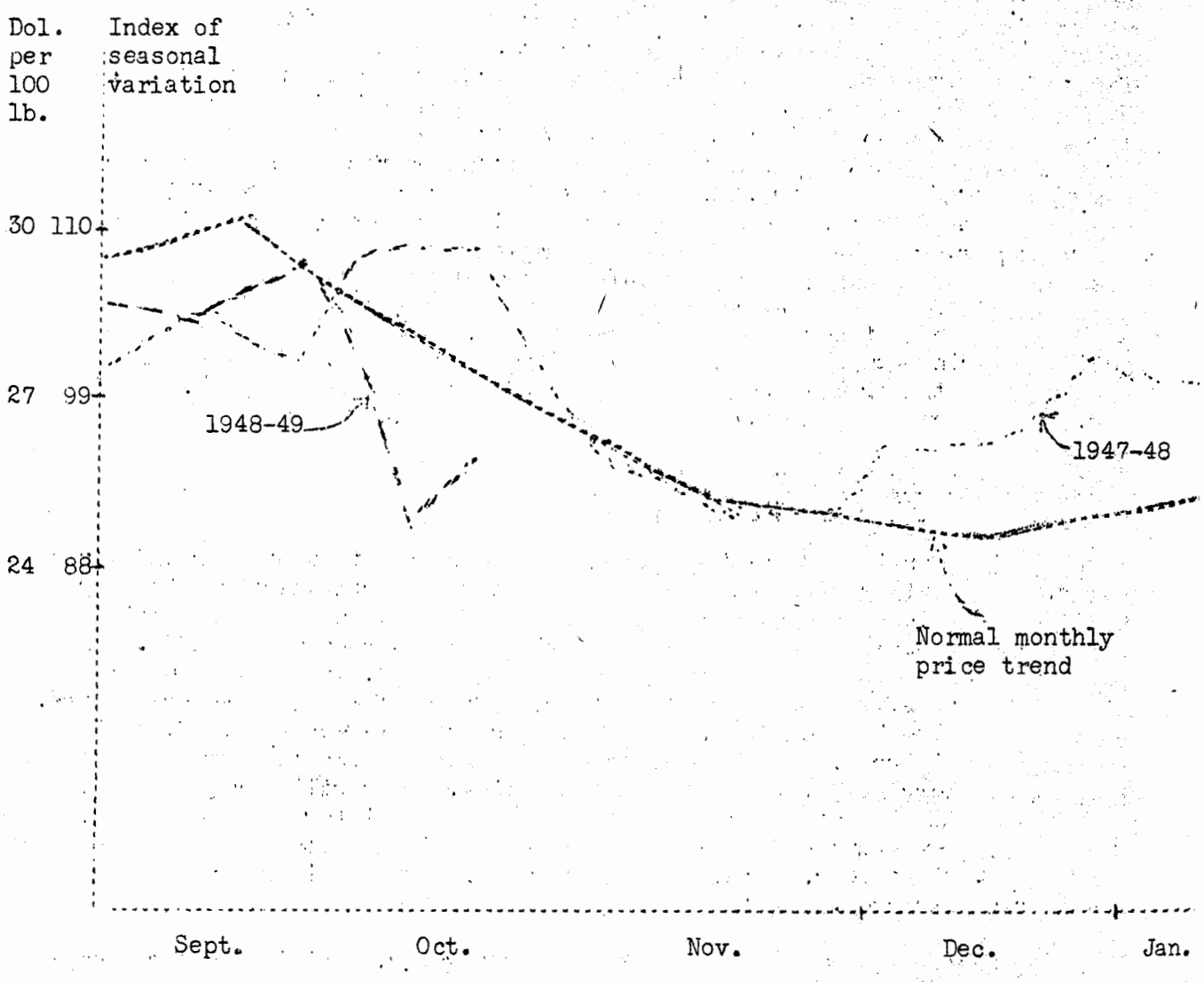
Prospects are that because of reduced slaughter, civilian meat consumption per person in the October to December quarter may be around three pounds less than the 40.8 pounds consumed in the same quarter of 1947.

Feed Grain Supplies Abundant

Feed supplies are much more abundant this year than in recent years. The 1948 corn crop of over 3.5 billion bushels is an all-time record. Crops of oats, barley and grain sorghums are also large, and production of the four feed grains will exceed the previous high in 1946 by 9 percent. Total supply of feed concentrates will be second to that in 1942-43, but will be the largest ever relative to the number of livestock on farms.

With harvest of these big crops, prices of feed grains have declined. They have been below loan rates at some times and in some areas. The Chicago cash price of corn the middle of October was about $1.55 per bushel, compared with about $2.30 last May. As corn prices dropped, livestock-feed price ratios became more favorable to producers. Despite the break in hog prices, the hog-corn ratio, Chicago basis, rose from 14.7 in mid-September to 16.5 a month later. Last May the ratio was below 9.

Figure 1.- Prices of barrows and gilts at Chicago, September to January, by weeks 1947-48 and to date in 1948-49, and normal seasonal variation by months



The larger supply of feed will have little effect in increasing market supplies of meat the rest of this year or early next year. Marketings of livestock in the last months of 1948 may in fact be less than they would have been had feed crops been smaller, since more feeding and breeding animals may be held past the end of the year. It is possible that through heavy feeding of hogs and increased grain feeding of cattle during the winter, the larger feed supplies will add moderately to meat production in the first half of 1949. Nevertheless, even with this addition, total meat supplies are likely to be somewhat less at that time than in the same period of 1948, chiefly because cattle and sheep numbers and slaughter probably will be down next year from those in the first part of 1948.

The first appreciable increase in meat output from this year's large feed crops may be expected in the late months of next year. At that time, pork production will increase substantially as hogs from the 1949 spring pig crop are slaughtered. That crop is likely to be much larger than the 1948 spring crop. The goal is for 60 million spring pigs, 17 percent more than were raised in the spring of 1948.

Hay Crop Less Favorable than Grains

Production of all hay, including wild hay, is indicated to be 99 million tons, $3\frac{1}{2}$ millions less than last year but $1\frac{1}{2}$ millions more than the 1937-46 average. In relation to the number of livestock on farms, hay supplies are ample but not as abundant as are feed grain supplies. In the midwest, Iowa and Wisconsin, and several other States to lesser degree, have had much poorer hay crops than usual. In the West, wild hay production has been generally good except in areas where growth was reduced by lack of moisture early in the season. Wyoming and parts of Utah, Nevada, and Colorado have no better than an average supply, and in some areas may have a short supply. In the Dakotas, Montana, Nebraska, Kansas and New Mexico, hay supplies are fairly large.

In areas where dry weather in September reduced range feed, supplemental feeding this winter may be heavy.

Shipments of Feeder and Stocker Cattle Lagging

During August, 12 percent more cattle were received in 8 Corn Belt States than in the same month last year. But in September and early October shipments failed to increase as fast as last year. Numbers shipped from four markets were less than a year earlier through three consecutive weeks (table 3).

Table 3.- Feeder and stocker cattle shipped from four markets, by weeks, August to October, 1947 and 1948 1/

Week ended	Steers			All cattle and calves		
	1948	1947	1948 as a % of 1947	1948	1947	1948 as a % of 1947
	Number	Number		Number	Number	
Aug. 6	12,268	13,074	93.8	17,232	19,297	89.3
13	14,416	14,134	102.0	20,637	20,741	99.5
20	15,102	10,621	142.2	21,500	15,032	143.0
27	15,655	13,898	112.6	23,435	18,025	130.0
Sept. 3	18,283	14,160	129.1	25,678	19,608	131.0
10	17,633	22,892	77.0	25,149	32,046	78.5
17	24,609	27,158	90.6	35,328	39,194	90.1
24	25,469	29,482	86.4	38,741	42,101	92.0
Oct. 1	29,619	30,556	96.9	44,826	44,200	101.4
8	27,727	30,939	89.6	41,657	44,280	94.1
15	32,412	36,697	88.3	46,698	51,751	90.2
22	33,706	25,655	131.4	50,702	39,262	129.1

1/ Chicago, Kansas City, Omaha, S. St. Paul.

Feeding operations this fall and winter have been expected to be somewhat larger than those last year. Last January, following the smallest corn crop in 11 years, the number of cattle on feed was down to 3,774,000 head. Although more than in prewar years, this was the lowest number since 1940. The 1948 corn crop is 49 percent larger than the 1947 crop, and corn prices are much lower this fall than last. These more favorable conditions for cattle feeding may result in at least as many cattle on feed next January 1 as a year before.

Last January's number on feed will be equaled or exceeded next January only if movement of feeder animals to feeding areas steps up rapidly. Purchases recently may have been curtailed by the falling market, as buyers tried to wait out the decline in price. Feeder steer prices fell off about $2.00 per 100 pounds between late August and early October, which is more than a normal decline for that season.

Numbers of cattle going on feed may be affected more by changes in slaughter cattle prices than by any other development. If the September-early October weakening in meat-animal prices should be prolonged, movements of cattle to feedlots may continue relatively small. Since the drop was unexpected, it probably has already reduced plans for feeding by some feeders.

Even though feeder movement may increase rapidly, total movement for the season will be limited by reduced numbers of feeder cattle available, and by a strong competitive slaughter demand for cattle that are suitable for either slaughter or feeding.

The number of sheep and lambs on feed January 1, 1949 is expected to be less than the 4,788,000 on January 1, 1948, which was the smallest number since 1928. Due to the 8 percent reduction in the lamb crop and the large proportion of Western lambs being slaughtered, fewer lambs are available for feeding this winter than last.

In August and September, only 86 percent as many feeder sheep and lambs moved to 8 Corn Belt States as a year earlier.1/ More were shipped into Kansas during the same two months this year than last, but this increase reflects only an earlier movement caused by drought in Texas, Wyoming and other States. The first lambs going into Kansas were fed mainly on volunteer wheat pasture. However, prospects are poor for lamb feeding the rest of the fall in the wheat pasture areas of Kansas, Oklahoma, and the Texas Panhandle. Dry weather has prevented much of the fall-sown wheat from reaching a stage suitable for pasturing.

Prices and Margins in Cattle Feeding Rise in last 10 Years

Receipts, costs, and margins in cattle feeding have increased rather steadily over the last 10 years. Approximate trends are indicated by data computed for a representative class and weight of cattle and on constant average requirements for feed and other cost items (table 4). These data are not an exact indicator of profits, either as an average or for individual feeders, since some items of expense are omitted and no flexibility in kind of operations is provided for. They do show, however, the changes in factors that are important in cattle feeding from year to year.

The main feature of the last 10 years has been the rising price level. During the later war years, most prices were held nearly steady by controls, but before and after the war prices climbed. Rising prices have meant increased returns for feeders, who profit from any upswing in prices of fed cattle during the feeding period. Some costs have increased along with cattle prices, but others have changed slowly. Transportation costs increased last year, for instance, after remaining unchanged for a number of years. Feed costs mounted in 1947-48 due to the small 1947 corn crop and high corn prices.

1/ Ohio, Indiana, Illinois, Michigan, Wisconsin, Minnesota, Iowa, Nebraska.

Table 4 .- Specified average prices and costs in the feeding of steers in the Corn Belt 1939-48

Item	Season								
	1939-40	1940-41	1941-42	1942-43	1943-44	1944-45	1945-46	1946-47	1947-48
	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.
	Price per unit								
Average price per 100 pounds for good grade beef steers sold out of first hand, Chicago: April-July	9.95	10.86	13.59	15.52	15.91	16.15	17.46	25.26	32.59
Subsidy per 100 pounds						.29	.38		
Average cost of feeder steers at Kansas City: per 100 pounds, August-December	7.38	8.49	9.82	12.08	11.52	11.56	12.91	16.37	21.75
Average price per bushel of corn, North Central States, September-July	.510	.577	.711	.862	1.039	1.009	1.175	1.490	2.201
Average price per ton received by farmers for alfalfa hay loose, North Central States: September-July	8.33	8.12	10.45	11.31	16.34	17.39	15.54	18.81	20.16
Average wholesale price per ton for soybean meal, 41 percent protein, Chicago, September-July	29.90	28.66	41.61	41.21	51.90	52.00	58.32	76.78	94.19
	Total value								
Market value at Chicago of good grade beef steers, market weight 1,050 pounds	104.48	114.03	142.70	162.96	167.06	169.58	183.33	265.23	342.20
Subsidy credit						3.04	3.99		
Market value plus subsidy	104.48	114.03	142.70	162.96	167.06	172.62	187.32	265.23	342.20
Market cost at Kansas City of 700 pound feeder steers	55.16	59.43	68.74	84.56	80.64	80.92	90.37	114.59	152.25
Cost of transportation from market to feeder	2.55	2.55	2.55	2.55	2.55	2.55	2.55	2.55	2.73
Cost of 45 bushels of corn	22.95	25.96	32.00	38.79	46.76	45.40	52.88	67.05	99.04
Cost of 0.75 tons of alfalfa hay loose	6.25	6.09	7.84	8.48	12.26	13.04	11.66	14.11	15.12
Cost of 100 pounds of soybean meal	1.50	1.43	2.08	2.06	2.60	2.60	2.92	3.84	4.71
Transportation and marketing expense	5.92	5.86	5.91	5.93	6.01	6.00	6.07	6.27	7.57
Total of cost items shown 1/	94.33	102.32	119.12	142.37	150.82	150.51	166.45	208.41	281.42
Margin of market value of steers over total of cost items shown 1/	10.15	11.71	23.58	20.59	16.24	22.11	20.87	56.82	60.78

1/ Does not include overhead costs, cost of pasture or other feed ingredients and death loss, or credits for manure and for hogs following steers. The feed ration and prices shown are designed to be fairly representative of average feeding experience in the Corn Belt, but do not necessarily coincide with the experience of individual feeders.

Table 5.- Number of animals slaughtered under Federal inspection, by months, 1937-46 average, 1947 and 1948

(Data for cover page charts)

Month	Cattle			Calves			Hogs			Sheep and lambs		
	1937-46 average	1947	1948	1937-46 average	1947	1948	1937-46 average	1947	1948	1937-46 average	1947	1948
	Thous.	Thous.	Thous.	Thous.	Thous.	Thous.	Thous.	Thous.	Thous.	Thous.	Thous.	Thous.
January	960	1,403	1,312	439	591	586	5,095	5,844	5,223	1,671	1,542	1,347
February	846	1,143	977	402	521	511	4,014	3,897	3 746	1,503	1,271	1,209
March	892	1,228	986	498	644	566	3,983	3,406	3,574	1,529	1,237	1,175
April	818	1,203	899	488	678	550	3,749	3,616	3,343	1,442	1,322	1,045
May	840	1,264	877	484	627	509	3,986	3,831	3,562	1,527	1,355	978
June	830	1,207	1,109	457	621	620	3,705	3,653	4,235	1,554	1,329	1,262
July	944	1,274	1,046	473	656	577	3,362	3,455	3,044	1,634	1,280	1,195
August	1,032	1,217	1,086	504	628	569	2,957	2,731	2,440	1,675	1,253	1,264
September	988	1,407	1,178	510	719	599	2,758	2,948	2,836	1,768	1,458	1,464
October	1,152	1,497		620	813		3,702	3,978		1,941	1,697	
November	1,078	1,337		575	762		4,866	5,501		1,694	1,471	
December	1,018	1,346		496	673		5,605	6,254		1,664	1,451	

Table 6 .- Livestock slaughter and meat production by class of slaughter, United States, 1935-47

Year	Livestock slaughter: Federally inspected	Livestock slaughter: Other wholesale and retail	Livestock slaughter: Farm	Livestock slaughter: Total	Meat production: Federally inspected	Meat production: Other wholesale and retail	Meat production: Farm	Meat production: Total
	Thous.	Thous.	Thous.	Thous.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
	Cattle				Beef			
1935 1/	9,853	4,320	632	14,805	4,610	1,753	245	6,608
1936 2/	10,976	4,312	613	15,901	5,317	1,802	239	7,358
1937	10,070	4,614	570	15,254	4,699	1,879	220	6,798
1938	9,776	4,477	569	14,822	4,798	1,887	223	6,908
1939	9,446	4,604	571	14,621	4,803	1,983	225	7,011
1940	9,743	4,644	571	14,958	4,971	1,984	227	7,182
1941 3/	10,932	4,916	571	16,419	5,732	2,126	224	8,082
1942 3/	12,340	5,047	646	18,033	6,343	2,249	251	8,843
1943 3/	11,721	5,416	708	17,845	5,966	2,340	265	8,571
1944 3/	13,955	5,035	854	19,844	6,652	2,149	311	9,112
1945 3/	14,631	6,244	916	21,691	7,236	2,700	339	10,275
1946 3/	11,402	7,479	943	19,824	5,661	3,349	363	9,373
1947 3/	15,524	6,009	860	22,393	7,535	2,561	333	10,429
	Calves				Veal			
1935 4/	5,718	3,048	866	9,632	608	322	93	1,023
1936 5/	6,070	3,050	888	10,008	653	327	95	1,075
1937	6,281	3,238	786	10,304	675	348	85	1,108
1938	5,492	3,089	725	9,306	581	332	81	994
1939	5,264	3,172	755	9,191	559	348	84	991
1940	5,358	3,003	728	9,089	568	328	85	981
1941 3/	5,461	3,107	684	9,252	599	353	84	1,036
1942 3/	5,760	3,317	641	9,718	667	399	85	1,151
1943 3/	5,209	4,111	620	9,940	597	481	89	1,167
1944 3/	7,769	5,749	724	14,242	926	703	109	1,738
1945 3/	7,020	5,884	741	13,645	823	729	109	1,661
1946 3/	5,841	5,569	758	12,168	642	687	111	1,440
1947 3/	7,933	5,080	682	13,695	904	589	106	1,599
	Sheep and lambs				Lamb and mutton			
1935	17,644	3,676	680	22,000	701	147	29	877
1936	17,216	3,702	637	21,555	680	147	27	854
1937	17,270	3,587	598	21,455	683	143	26	852
1938	18,060	3,753	610	22,423	720	161	26	897
1939	17,241	3,776	597	21,614	694	152	26	872
1940	17,349	3,651	571	21,571	702	150	24	876
1941 3/	18,122	3,605	582	22,309	749	150	24	923
1942 3/	21,624	3,383	578	25,585	879	139	24	1,042
1943 3/	23,363	3,134	576	27,073	958	122	24	1,104
1944 3/	21,875	2,918	562	25,355	887	114	23	1,024
1945 3/	21,218	2,850	571	24,639	913	117	24	1,054
1946 3/	19,884	2,350	580	22,814	850	96	24	970
1947 3/	16,667	1,540	559	18,766	717	62	23	802
	Hogs				Pork, exluding lard			
1935	26,057	6,606	13,348	46,011	3,494	761	1,664	5,919
1936	36,055	8,380	14,295	58,730	4,737	965	1,772	7,474
1937	31,642	8,740	13,333	53,715	4,254	1,011	1,686	6,951
1938	36,186	9,416	13,325	58,927	4,884	1,111	1,685	7,680
1939	41,368	11,213	13,980	66,561	5,552	1,337	1,771	8,660
1940	50,398	13,057	14,155	77,610	6,614	1,632	1,798	10,044
1941 3/	46,520	12,088	12,789	71,397	6,345	1,559	1,624	9,528
1942 3/	53,897	12,117	12,533	78,547	7,562	1,672	1,642	10,876
1943 3/	63,431	17,779	14,016	95,226	9,308	2,454	1,878	13,640
1944 3/	69,017	15,500	13,551	98,068	9,456	2,046	1,802	13,304
1945 3/	40,960	17,300	13,631	71,891	6,387	2,456	1,854	10,697
1946 3/	44,394	18,000	13,850	76,244	6,642	2,592	1,939	11,173
1947 3/	49,116	12,834	12,783	74,733	7,080	1,735	1,790	10,605
					All meat			
1935					9,413	2,983	2,031	14,427
1936					11,387	3,241	2,133	16,761
1937					10,311	3,381	2,017	15,709
1938					10,983	3,481	2,015	16,479
1939					11,608	3,820	2,106	17,534
1940					12,855	4,094	2,134	19,083
1941 3/					13,425	4,188	1,956	19,569
1942 3/					15,451	4,459	2,002	21,912
1943 3/					16,829	5,397	2,256	24,482
1944 3/					17,921	5,012	2,245	25,178
1945 3/					15,359	6,002	2,326	23,687
1946 3/					13,795	6,724	2,437	22,956
1947 3/					16,236	4,947	2,252	23,435

1/ Includes 186,683 cattle slaughtered under Federal inspection and 52,000 head accepted for food use slaughtered in other wholesale and retail establishments for government account. Includes 45.5 million pounds of beef produced under Federal inspection and 14.3 million pounds of beef produced in wholesale and retail establishments for Government account. 2/ Includes 3,500 cattle slaughtered under Federal inspection and 1.2 million pounds of beef produced for Government account.

3/ Excludes slaughter and meat production under Federal inspection in Hawaii and the Virgin Islands. 4/ Includes 39,358 calves slaughtered under Federal inspection and 13,000 head accepted for food use in other wholesale and retail establishments for Government account. Also includes 4.1 million pounds of veal produced under Federal inspection and 1.4 million pounds of veal in other wholesale and retail establishments for Government account. 5/ Includes 163 calves slaughtered under Federal inspection for Government account, and 20,000 pounds of veal.

Livestock prices per 100 pounds (except where noted), marketings and slaughter statistics, by species, September 1948 with comparisons

PRICES

Item	Annual 1937-46	January-September 1947	January-September 1948	1947 August	1947 September	1948 August	1948 September
	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars
Cattle and calves							
Beef steers sold out of first hands, Chicago:							
Choice and Prime	14.61	28.37	34.83	31.91	32.77	39.48	38.91
Good	13.29	25.61	31.70	28.27	29.43	36.02	34.49
Medium	11.63	22.07	27.40	21.96	22.60	29.15	27.59
Common	9.67	17.75	22.80	16.89	17.83	22.89	22.63
All grades	13.22	25.17	31.38	28.84	29.54	35.22	34.03
Good grade cows, Chicago	10.30	18.05	23.87	18.87	19.60	24.56	23.18
Vealers: Good and Choice, Chicago	12.90	24.37	28.42	23.08	25.08	29.60	30.32
Stocker and feeder steers							
Kansas City	10.66	20.43	26.48	21.22	21.65	27.40	25.42
Average price received by farmers:							
Beef cattle	9.71	18.40	22.94	19.00	19.00	24.40	24.20
Veal calves	10.99	20.02	25.08	20.70	21.40	26.60	26.20
Hogs							
Average market price, Chicago:							
Barrows and gilts	---	25.04	24.61	26.31	28.17	29.56	28.84
Sows	---	20.99	20.92	22.13	24.83	25.36	25.92
All purchases	11.45	23.95	23.69	23.74	26.56	26.89	27.75
Average price received by farmers:							
Hogs	10.92	23.69	23.72	23.60	26.70	27.10	27.30
Corn, cents per bushel	86.1	175	208	219	240	191	178
Hog-corn price ratio, U. S. 1/	13.1	14.6	11.5	11.1	11.3	14.2	15.3
Sheep and lambs							
Lambs, Good and Choice, Chicago	12.72	23.56	26.28	23.88	24.51	27.51	25.18
Feeding lambs, Good and Choice, Omaha	11.21	2/20.72	3/22.16	21.31	22.60	25.97	23.18
Ewes, Good and Choice, Chicago	5.90	9.09	12.10	9.05	9.08	12.08	11.19
Average price received by farmers:							
Sheep	5.33	8.37	9.81	8.55	8.64	10.20	9.73
Lambs	10.72	20.32	22.98	20.90	21.50	24.80	23.40
Meat							
Wholesale, Chicago:							
Steer beef, carcass (Good, 500-600 lbs.)	18.86	40.01	50.57	46.40	47.65	57.78	56.01
Hog products 4/	19.17	40.66	42.62	42.86	46.35	46.37	47.21
Lamb carcasses (Good, 30-40 lbs.)	21.18	5/42.79	49.74	45.55	46.97	51.75	48.03
B.L.S. index retail meat prices 6/	118.7	212.9	---	228.4	240.6	267.0	---
Index income of industrial workers 1935-39=100	206.8	324.5	---	333.3	346.3	376.2	---

Livestock Marketing and Slaughter Statistics

Item	Unit	Annual 1937-46	January-September 1947	January-September 1948	1947 August	1947 September	1948 August	1948 September
Meat-animal marketings:								
Index numbers (1935-39=100)		129	145	131	130	169	121	141
Stocker and feeder shipments to 8 Corn Belt States								
Cattle and calves	Thous.	---	1,514	1,297	198	395	221	390
Sheep and lambs	Thous.	---	1,905	1,321	283	556	229	495
Slaughter under Federal Inspection:								
Numbers: 7/								
Cattle	Thous.	11,398	11,345	9,469	1,217	1,407	1,086	1,178
Calves	Thous.	5,946	5,685	5,088	628	719	569	599
Sheep and lambs	Thous.	19,602	12,047	10,938	1,253	1,458	1,264	1,464
Hogs	Thous.	47,781	33,382	32,003	2,731	2,948	2,440	2,836
Average live-weight:								
Cattle	Lb.	939	931	8/946	905	906	929	8/934
Calves	Lb.	200	244	8/200	234	244	242	8/249
Sheep and lambs	Lb.	89	94	8/95	90	89	92	8/92
Hogs	Lb.	243	262	8/246	284	247	271	8/246
Meat production:								
Beef	Mil. lb.	5,689	5,601	8/4,718	571	653	524	8/575
Veal	Mil. lb.	664	628	8/553	80	96	76	8/ 69
Lamb and mutton	Mil. lb.	804	524	8/465	52	60	53	8/ 50
Pork (excluding lard)	Mil. lb.	6,700	4,913	8/4,630	438	418	372	8/350
Storage stocks end of month:								
Beef	Mil. lb.	---	---	---	97	85	69	73
Pork	Mil. lb.	---	---	---	264	196	360	234
Lamb and mutton	Mil. lb.	---	---	---	8	7	10	11
Total meat and meat products	Mil. lb.	---	---	---	473	381	528	393
Percent packing sows are of Federally inspected hog slaughter	Percent	---	16	---	36	24	34	---

1/ Number of bushels of corn equivalent in value to 100 pounds of live hogs. 2/ Average of prices for January, February, March, April, August, and September. 3/ Average of prices for January, February, March, April, May, August and September. 4/ Calculated from value of 71.32 pounds of fresh and cured-hog products including lard. 5/ Average of prices for January, February, March, April, July, August, and September. 6/ Meat, poultry and fish: Bureau of Labor Statistics, 1935-39=100. 7/ 1947 and 1948 slaughter excludes Hawaii and Virgin Islands. 8/ Estimates based on weekly quotations.

U. S. Department of Agriculture
Washington 25, D. C.

Penalty for private use to avoid
payment of postage $300

OFFICIAL BUSINESS

BAE-LMS-20-11/48-4200
PERMIT NO. 1001

NEW YORK STATE COLLEGE OF AGRI.
LIBRARY
3-31-47
FNS-16
ITHACA, N. Y.

Prices of feeder cattle this fall are several dollars above those of late 1947. Costs of feed, especially of corn, are down substantially. Other costs will be as high or higher this year than last.

The larger proportion of grain-fed cattle are sent to market in the spring and summer. So long as consumer incomes remain high, a strong demand for beef cattle at that time is in prospect. Because cattle numbers appear still to be declining, total beef supplies at that season are unlikely to be as large as those of several preceding years, but the supply of fed beef may be at least as large as in 1948. Pork supplies through the first half of 1948 are expected to be about the same as those of the same period this past year. Not until October-December 1949 is a large increase in pork output likely to occur.

Hog Price Supports Through March 1949 Announced

Hogs are the only meat animals for which price support is required in 1949 under provisions of the Steagall Amendment and the Agricultural Act of 1948. Market prices of hogs have been above supports for several years and are likely to remain higher than supports if consumer demand continues strong. Nevertheless, an announcement has been made of a schedule of average prices at which hogs will be supported if necessary in the period through next March. As required by legislation, support prices are calculated at 90 percent of parity. The parity index on September 15 was 250 (index of prices paid, interest and taxes, as percent of 1910-14 average). This was equivalent to an annual average hog support price of $17.02 per 100 pounds, Chicago basis, as paid by federally inspected slaughterers for Good and Choice barrow and gilt butcher hogs. The schedule of weekly support prices ranges from $17.50 on October 1 to a low of $15.25 in December, and up again to $17.50 the latter part of next March.

For comparison, actual prices of hogs of the same grade and class were around $28.00 on October 1 and $26.00 the week of October 11-16.