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U.S. MEAT PRODUCTION & FEED OUTLOOK

Beef/Cattle: December ushered in frigid temperatures. Snow and flooding in the Southern Plains resulted in cattle deaths and limited transportation of live cattle to feedlots and packers, creating a short-term supply crunch despite light production schedules over the holidays, which supported rapidly rising wholesale prices. The recent precipitation aided wheat pasture conditions and helped replenish stock pond levels.

Beef/Cattle Trade: U.S. cattle imports were down 27 percent in November due to dramatic declines in beef shipments from Australia and New Zealand. Despite lower fourth-quarter beef shipments, U.S. beef imports for 2015 are forecast 14 percent higher at 3.372 billion pounds.

Pork/Hogs: Animal numbers reported in the December Quarterly Hogs and Pigs report imply a 2-percent increase in 2016 pork production. Live hog prices are expected to average $46-$49 this year. A small increase in U.S. live swine imports is expected as a consequence of the repeal of U.S. country of origin labeling laws.

Poultry: USDA has lowered its fourth-quarter production forecast of ready-to-cook (RTC) broiler meat to 9.98 billion pounds due to lower expected slaughter for December. Price forecasts for whole birds are increased for all quarters in 2016. The production forecast for 2016 is raised on stronger chick placement data. Turkey meat production in November totaled 471 million pounds, down 2 percent from a year earlier. Wholesale frozen whole hen prices averaged $1.30 per pound in fourth-quarter 2015, up 14 percent from the previous year. Table egg production totaled 548 million dozen in November, down 11 percent from a year earlier. Wholesale prices for Grade A large eggs in the New York market averaged $1.74 per dozen in fourth-quarter 2015, up 7 percent from the previous year.

Poultry Trade: Broiler, turkey, and egg shipments in November 2015 remained down from a year ago. Broiler shipments totaled 494 million pounds, a decrease of 14 percent from a year earlier. November turkey shipments decreased 41 percent from a year ago, totaling 43 million pounds, while egg and egg product exports totaled 19 million dozen shell-egg equivalent, a 47-percent decrease from the previous November.

Dairy: With lower expectations for exports, the all-milk price forecast for 2016 has been lowered to $15.35-$16.15, a reduction from the $15.95-$16.75 per cwt forecast last month. The milk production forecast for 2016 has been lowered by 0.6 billion pounds. Commercial export forecasts for 2016 have been lowered by 0.4 billion pounds on a milk-fat milk-equivalent basis and 1.0 billion pounds on a skim-solids milk-equivalent basis.

Source: *Livestock, Dairy, & Poultry Outlook (LDPM-259), Economic Research Service, USDA, January 2016*

Feed: The January 12 Crop Production 2015 Summary from USDA's National Agricultural Statistics Service (NASS) pegged feed grain production for 2015/16 1.25 million metric tons lower than the previous forecast at 366.6 million tons. Lower estimated corn production is only partly offset by a small increase in sorghum production. With small but offsetting increases to imports this month, total feed grain supplies decline nearly 1 million tons. At 416.7 million tons, 2015/16 supplies remain record high and up 0.5 percent from 2014/15.

Feed grain disappearance projections for 2015/16 include a 0.25-million-ton reduction in food, seed, and industrial (FSI) use to 173.9 million tons and a 1.2- million-ton reduction in projected exports to 51.7 million tons. This month's projection of total disappearance is lowered 1.5 million tons to 366.3 million, down 1.3 metric tons from the previous year.

On a September-August basis, 2015/16 U.S. feed and residual use for the four feed grains plus wheat is projected to total 145.2 million tons, 1.2 million less than last month's forecast and 1.78.million above the adjusted total of 143.4 million for 2014/15. Corn is estimated to account for 92 percent of feed and residual use in 2015/16, compared with 94 percent in 2014/15, as increases in expected sorghum, wheat, and barley feed and residual use on the September-August year reduce corn's share of the total slightly.

The projected index of grain-consuming animal units (GCAU) for 2015/16 is 93.42 million units, down from 94.60 in November but higher than the adjusted 92.60 million units in 2014/15. Feed and residual per GCAU is estimated at 1.55 million tons, nearly the same as in 2014/15. In the index components, GCAUs are lowered this month for poultry and cattle on feed and unchanged for dairy.

Source: *Feed Outlook (FDS-16A), Economic Research Service, USDA, January 2016*

To read the full text of these reports go to: www.ers.usda.gov/publications

CATTLE & CALVES

All cattle and calves in Minnesota as of January 1, 2016, totaled 2.42 million head. This was up 4 percent from January 1, 2015. **Beef cows**, at 350,000 head, were up 3 percent from last year. **Milk cows**, at 460,000, were unchanged from last year.

All heifers 500 pounds and over, at 570,000 head, were up 8 percent from last year. **Heifers for beef cow replacement** were up 6 percent to 95,000 head; **heifers for milk cow replacement**, at 300,000 head, were up 7 percent from the previous year; and **all other heifers** were up 9 percent to 175,000 head.

Steers weighing 500 pounds and over were up 4 percent from last year to 520,000 head. **Bulls weighing 500 pounds and over** were up 5,000 head to 40,000. **Calves under 500 pounds** on January 1, 2016, totaled 480,000 head, up 5 percent from last year.

The 2015 **calf crop** was estimated at 770,000 head, which tied 2014's record low calf crop. **Cattle and calves on feed** for slaughter in all feedlots on January 1, 2016, totaled 405,000 head, up 5 percent from one year ago.

All cattle and calves in the United States as of January 1, 2016 totaled 92.0 million head. This is 3 percent above the 89.1 million head on January 1, 2015.

All cows and heifers that have calved, at 39.6 million head, are 3 percent above the 38.6 million head on January 1, 2015. Beef cows, at 30.3 million head, are up 4 percent from a year ago. **Milk cows**, at 9.32 million head, are up slightly from the previous year.

All heifers 500 pounds and over as of January 1, 2016 totaled 19.8 million head. This is 3 percent above the 19.3 million head on January 1, 2015. **Beef replacement heifers**, at 6.29 million head, are up 3 percent from a year ago. **Milk replacement heifers**, at 4.82 million head, are up 2 percent from the previous year. **Other heifers**, at 8.71 million head, are 3 percent above a year earlier.

All Calves under 500 pounds in the United States as of January 1, 2016 totaled 14.1 million head. This is 4 percent above the 13.5 million head on January 1, 2015. **Steers weighing 500 pounds and over** totaled 16.3 million head, up 4 percent from one year ago. **Bulls weighing 500 pounds and over** totaled 2.14 million head, up 2 percent from the previous year.

The 2015 **calf crop** in the United States was estimated at 34.3 million head, up 2 percent from last year's calf crop. Calves born during the first half of 2015 were estimated at 24.8 million head. This is up 2 percent from the first half of 2014. The calves born during the second half of 2015 were estimated at 9.50 million head, 28 percent of the total 2015 calf crop.

Cattle and calves on feed for the slaughter market in the United States for all feedlots totaled 13.2 million head on January 1, 2016. The inventory is up 1 percent from the January 1, 2015 total of 13.0 million head. Cattle on feed, in feedlots with capacity of 1,000 or more head, accounted for 80.2 percent of the total cattle on feed on January 1, 2016. This is down 1 percent from the previous year. The combined total of calves under 500 pounds and other heifers and steers over 500 pounds (outside of feedlots) is 25.9 million head. This is 5 percent above one year ago.

Cattle and Calves, Number by Class – Minnesota and United States: January 1, 2015 and 2016

Class	Minnesota			United States		
	2015	2016	2016 as % of 2015	2015	2016	2016 as % of 2015
	(1,000 head)	(1,000 head)	(percent)	(1,000 head)	(1,000 head)	(percent)
All cattle and calves	2,320.0	2,420.0	104	89,143.0	91,988.0	103
All cows that have calved	800.0	810.0	101	38,609.0	39,646.2	103
Beef cows	340.0	350.0	103	29,302.1	30,330.8	104
Milk cows	460.0	460.0	100	9,306.9	9,315.4	100
Heifers 500 pounds and over	530.0	570.0	108	19,261.2	19,822.3	103
For beef cow replacement	90.0	95.0	106	6,086.4	6,285.2	103
For milk cow replacement	280.0	300.0	107	4,710.4	4,824.0	102
Other heifers	160.0	175.0	109	8,464.4	8,713.1	103
Steers 500 pounds and over	500.0	520.0	104	15,629.5	16,320.4	104
Bulls 500 pounds and over	35.0	40.0	114	2,109.4	2,142.4	102
Calves under 500 pounds	455.0	480.0	105	13,533.9	14,056.7	104
Cattle on feed[1]	385.0	405.0	105	13,025.0	13,177.0	101

[1] Cattle and calves on feed are animals for slaughter market being fed a ration of grain or other concentrates and are expected to produce a carcass that will grade select or better. Cattle and calves on feed are included in the cattle inventory estimates by classes.

Calf Crop – Minnesota and United States: 2014 and 2015

	Minnesota			United States		
	2014	2015	2015 as % of 2014	2014	2015	2015 as % of 2014
	(1,000 head)	(1,000 head)	(percent)	(1,000 head)	(1,000 head)	(percent)
Calf crop	770.0	770.0	100	33,522.0	34,301.7	102

SHEEP, LAMBS & WOOL

All sheep and lambs inventory in Minnesota as of January 1, 2016, totaled 125,000 head, dropping 4 percent from 2015. Total **breeding stock**, at 88,000 head, was 4 percent less than a year ago. Compared to last year, **market sheep and lambs** decreased 3 percent to 37,000 head. The **lamb crop** for 2015 was 4 percent less than the previous year at 120,000 head. **Wool** production for the State was 770,000 pounds, down 4 percent from last year.

All sheep and lamb inventory in the United States on January 1, 2016 totaled 5.32 million head, up 1 percent from 2015. **Breeding sheep** inventory at 3.97 million head on January 1, 2016, increased 1 percent from 3.94 million head on January 1, 2015. **Ewes one year old and older**, at 3.13 million head, were slightly above last year. **Market sheep and lambs** on January 1, 2016 totaled 1.36 million head, up 1 percent from January 1, 2015. Market lambs comprised 94 percent of the total market inventory. Market sheep comprised the remaining 6 percent of total market inventory.

The 2015 **lamb crop** of 3.44 million head was unchanged from 2014. The 2015 **lambing rate** was 111 lambs per 100 ewes one year old and older on January 1, 2015, also unchanged from 2014.

Shorn wool production in the United States during 2015 was 27.1 million pounds, up 1 percent from 2014. **Sheep and lambs shorn** totaled 3.68 million head, unchanged from 2014. The average price paid for wool sold in 2015 was $1.45 per pound for a total value of 39.3 million dollars, up 1 percent from 38.9 million dollars in 2014.

Sheep death loss during 2015 totaled 230 thousand head, up 5 percent from 2014. **Lamb death loss** increased 3 percent from 365 thousand head to 375 thousand head in 2015.

All Sheep and Lambs, Number by Class – Minnesota and United States: January 1, 2015 and 2016

Class	Minnesota			United States		
	2015	2016	2016 as % of 2015	2015	2016	2016 as % of 2015
	(1,000 head)	(1,000 head)	(percent)	(1,000 head)	(1,000 head)	(percent)
All sheep and lambs	130.0	125.0	96	5,280.0	5,320.0	101
Total breeding sheep	92.0	88.0	96	3,935.0	3,965.0	101
Ewes	73.0	70.0	96	3,110.0	3,125.0	100
Rams	4.0	4.0	100	175.0	175.0	100
Replacement lambs	15.0	14.0	93	650.0	665.0	102
Total market	38.0	37.0	97	1,345.0	1,355.0	101

Lamb Crop – Minnesota and United States: 2015 and 2016

	Minnesota			United States		
	2014	2015	2015 as % of 2014	2014	2015	2015 as % of 2014
	(1,000 head)	(1,000 head)	(percent)	(1,000 head)	(1,000 head)	(percent)
Lamb crop	125.0	120.0	96	3,440.0	3,440.0	100

Wool Production, Price and Value – Minnesota and United States: 2014 and 2015

Class	Minnesota			United States		
	2014	2015	2015 as % of 2014	2014	2015	2015 as % of 2014
Sheep shorn (1,000 head)	125.0	120.0	96	3,680.0	3,680.0	100
Weight per fleece (pounds)	6.4	6.4	100	7.3	7.4	101
Production (1,000 pounds)	800	770	96	26,680	27,050	101
Price per pound (dollars)	0.82	0.79	96	1.46	1.45	99
Value[1] (1,000 dollars)	656	608	93	38,909	39,298	101

[1] Production multiplied by marketing year average price. United States value is the summation of State values.

GOATS & KIDS

Meat and other goat inventory in Minnesota as of January 1, 2016, totaled 21,000 head, up 2 percent from January 2015. Total **milk** goat inventory, at 13,500 head, was unchanged from the previous year.

All goat inventory in the United States on January 1, 2016 totaled 2.62 million head, down 1 percent from 2015. **Breeding goat** inventory totaled 2.16 million head, down 1 percent from 2015. Does one year old and older, at 1.61 million head, were 2 percent below last year's number. **Market goats and kids** totaled 459 thousand head, down 1 percent from a year ago.

Kid crop for 2015 totaled 1.68 million head for all goats, down 2 percent from 2014.

Goat Inventory – Selected States and United States: 2015 and 2016

	Milk Goats		Meat & Other Goats	
	2015	2016	2015	2016
	(head)	(head)	(head)	(head)
California	40,000	39,000	85,000	90,000
Iowa	31,000	33,000	25,500	25,000
Minnesota	**13,500**	**13,500**	**20,500**	**21,000**
Texas	23,000	22,000	800,000	765,000
Wisconsin [1]	44,000	44,000	(NA)	(NA)
Unpublished States	32,300	33,600	179,000	180,00
United States	365,000	375,000	2,125,000	2,095,000

(NA) Not Available

[1] Beginning in 2015, Meat and Other Goats for Wisconsin is no longer published individually. It is now included in the Unpublished States total.

Meat and all other goats totaled 2.10 million head on January 1, 2016, down 1 percent from 2015. **Milk goat** inventory was 375 thousand head, up 3 percent from January 1, 2015, while **Angora goats** were down 6 percent, totaling 150 thousand head.

Mohair production in the United States during 2015 was 765 thousand pounds. **Goats and kids clipped** totaled 139 thousand head. Average weight per clip was 5.5 pounds. Mohair price was $5.30 per pound with a value of 4.05 million dollars.

VEGETABLES ANNUAL SUMMARY

Minnesota remained in third place in the nation for acres harvested, but fell to fourth place in total production and value of production for the major processing vegetables in 2015. California remained the number one state in all three categories and accounted for 75 percent of the total production of these vegetables.

Minnesota maintained its first place standing for **processing sweet corn** in 2015, producing 761,320 tons, 31 percent of the nation's total. Harvested acres decreased by 6,200 to 103,200 acres, the lowest harvested acreage since 1980. Yields rose, however, up 8 percent to 7.38 tons per acre. U.S. processing sweet corn production was down 3 percent to 2.49 million tons.

Green pea production in Minnesota in 2015 totaled 112,450 tons, up 44 percent from the previous year. This was due to an increase in yield from 1.22 tons/acres in 2014 to 2.32 tons/acre this year. This is the highest yield on record. Harvested acreage, however, fell to 48,500. Minnesota remained the second largest green pea processing state in the nation. Processing pea production in the U.S. rose 13 percent to 411,320 tons.

Processing Vegetables, Acreage, Yield, Production, and Value – Minnesota and United States: 2014-2015

Crop	Planted		Harvested		Yield per acre		Production		Value			
									Per ton		Total	
	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015
	(acres)	(acres)	(acres)	(acres)	(tons)	(tons)	(tons)	(tons)	(dollars)	(dollars)	(1,000 dollars)	(1,000 dollars)
MINNESOTA												
Green Peas	68,600	57,700	64,000	48,500	1.22	2.32	78,150	112,450	567.00	402.00	44,273	45,156
Sweet corn	116,600	115,500	109,400	103,200	6.85	7.38	749,440	761,320	113.00	96.20	84,805	73,214
UNITED STATES												
Green Peas	195,700	181,200	187,600	166,200	1.93	2.47	362,860	411,320	367.00	320.00	133,261	131,568
Sweet corn	325,180	325,100	312,280	307,500	8.22	8.09	2,567,820	2,488,110	113.00	103.00	289,573	255,480