

# Daily Livestock Report

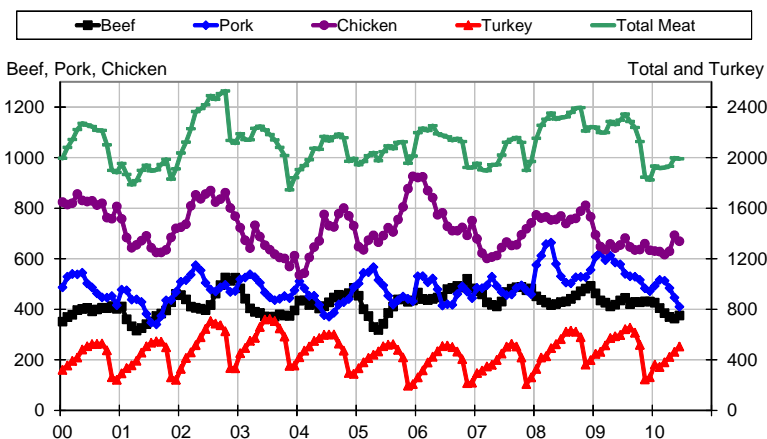
Vol. 8, No. 142, July 23, 2010

**USDA'S monthly Cold Storage report, released Wednesday afternoon, indicates meat and poultry inventories on June 30 were slightly smaller than one month earlier and, as expected, sharply lower than last year.** The table on page 2 shows June estimates for all cuts and species. Some highlights are:

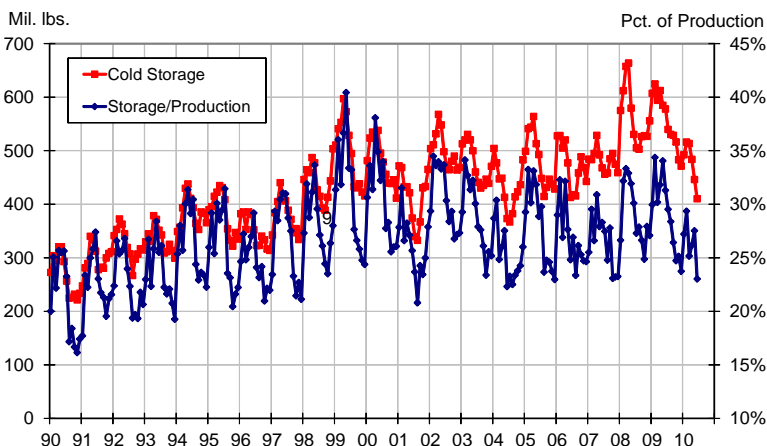
- Total meat and poultry stocks on June 30 amounted to 2.019 billion pounds, 0.8% lower than on May 31 and 11.6% lower than one year earlier. This marks the 11th month in a row and 16th of the past 17 months in which total frozen meat and poultry stocks have been lower than one year earlier. The past 9 months have been at least 10% smaller than year-ago levels. As can be seen in the chart, sharp reductions of chicken inventories in early 2009 were the primary catalyst for the sharply lower frozen stocks. But rapidly declining pork inventories are keeping the declines large so far in 2010.
- Pork led all species in the size of both month-ago and year-ago inventory declines in June at -7.3 and -23.3%, respectively. It is quite normal for pork stocks to fall in the summer months as slaughter and, usually, average market weights decline but this year is the sharpest such decline on record except for the export-driven drawdown of 2008. The largest contributors to declines versus June 2009 were bellies (-35 million lbs.), unclassified (-27.5 million lbs.) and other pork (-26.2 million lbs.). June 2010 bellies stocks were down 44.5% from last year. Ham stocks, however, were only 3.4% lower than one year ago. The inventory of no wholesale cut category increased during June. Bellies were again the unit leader (-35.1 million lbs.) in June stocks reduction while bone-in loins (-35.2%) and picnics (-35%) saw the largest monthly declines in percentage terms.
- Pork stocks on June 30 were at their lowest level since August 2004 in absolute terms. As a percentage of monthly pork production (the blue line in the lower chart), the June 30 inventories were 23.0%, near the bottom of what has become the "normal" range since 2001.
- Chicken inventories were slightly larger on June 30 than they were one year ago but were 3.4% smaller than last month. Of particular interest here was stocks of leg quarters and leg quarter items such as drumsticks, thighs and thigh meat — items that are usually dependent on export markets such as Russia. We are aware of no news of actual shipments heading to Russia in spite of the agreement reached in May on using disinfectant treatments other than chlorine and the ballyhooed intervention by President Obama a few weeks back. In spite of that continued roadblock, total stocks of leg-quarter products declined in June by 11.5 million pounds or 6.4%. At 182.22 million pounds, though, they were still 48.2% larger than one year ago. Stocks of breasts and breast meat declined versus both one month ago (-9.4%) and one year ago (6.4%). Wing inventories were 18.9% larger than last year but down 4.5% from May.
- Turkey stocks continued their usual seasonal buildup at a relatively normal pace. June 30 stocks were 9.1% larger than at the end of May but were 5.3% smaller than one year ago. Whole bird (-11.9%) and unclassified turkey (-15.3%) led the year-on-year decline.
- Frozen beef stocks were 1.5% lower than on May 31 and 12.9% lower than one year ago, led by boneless beef stocks at -12.8%.

## MEAT IN COLD STORAGE

Million Lbs., Product Weight



## PORK IN COLD STORAGE



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## USDA Cold Storage Report July 22, 2010

	Quantity (Thousand Pounds)			Current as pct. of:	
	6/30/09	5/30/10	6/30/10	6/30/09	5/30/10
<b>Chicken</b>	----- Thous. Lbs. -----				
Whole Chickens	19075	19,040	21,863	114.6	114.8
Hens, Mature Chickens	4979	2,609	3,072	61.7	117.7
Breasts & Breast Meat	112051	115,542	104,699	93.4	90.6
Drumsticks	11702	10,628	15,417	131.7	145.1
Leg Quarters	79832	132,006	113,301	141.9	85.8
Legs	4000	13,904	13,156	328.9	94.6
Thigh & Thigh Quarters	8084	11,503	9,876	122.2	85.9
Thigh Meat	19350	26,614	30,466	157.4	114.5
Wings	30692	38,201	36,479	118.9	95.5
Paws and Feet	16280	26,613	25,686	157.8	96.5
Other	347841	296,084	295,026	84.8	99.6
<b>Total Chicken</b>	<b>653,886</b>	<b>692,744</b>	<b>669,041</b>	<b>102.3</b>	<b>96.6</b>
<b>Turkey</b>					
Whole Turkeys	312,990	249,487	275,874	88.1	110.6
Toms (Whole)	171,748	134,080	150,793	87.8	112.5
Hens (Whole)	141,242	115,407	125,081	88.6	108.4
Breasts	83,719	79,274	77,052	92.0	97.2
Legs	14,477	12,818	10,542	72.8	82.2
Mech. Deboned Turkey	11,386	5,566	5,304	46.6	95.3
Other Turkey	27,542	23,019	28,040	101.8	121.8
Unclassified	144,628	91,641	107,213	74.1	117.0
<b>Total Turkey</b>	<b>594,742</b>	<b>461,805</b>	<b>504,025</b>	<b>84.7</b>	<b>109.1</b>
Ducks	5,129	4,498	4,143	80.8	92.1
<b>Total Poultry</b>	<b>1,253,757</b>	<b>1,159,047</b>	<b>1,177,209</b>	<b>93.9</b>	<b>101.6</b>
<b>Frozen Pork</b>	----- Thous. Lbs. -----				
Picnics, Bone-in	8,661	8,304	5,396	62.3	
Hams, Total	95,269	76,469	92,007	96.6	
Bone-in	40,738	31,076	44,948	110.3	
Boneless 3/	54,531	45,393	47,059	86.3	
Bellies	78,801	49,656	43,736	55.5	
Loins, Total	34,270	35,261	28,546	83.3	
Bone-in	16,079	14,151	9,175	57.1	
Boneless 4/	18,191	21,110	19,371	106.5	
Ribs 5/	71,558	81,134	63,632	88.9	
Butts	18,406	19,210	14,014	76.1	
Trimming 6/	62,220	44,985	42,053	67.6	
Other 7/	112,431	94,346	86,221	76.7	
Variety Meats 8/	24,662	19,733	21,985	89.1	
Unclassified 9/	78,266	54,612	50,731	64.8	
<b>Total Pork</b>	<b>584,544</b>	<b>483,710</b>	<b>448,321</b>	<b>76.7</b>	
<b>Frozen Beef</b>					
Boneless 1/	358,042	310,570	312,157	87.2	
Beef Cuts 2/	59,833	58,915	51,659	86.3	
<b>Total Beef</b>	<b>417,875</b>	<b>369,485</b>	<b>363,816</b>	<b>87.1</b>	
<b>Other Meat</b>					
Veal	7,970	6,625	8,933	112.1	
Lamb & Mutton	19,694	16,453	20,428	103.7	
<b>Total Other Meat</b>	<b>27,664</b>	<b>23,078</b>	<b>29,361</b>	<b>106.1</b>	
<b>Total Meat</b>	<b>1,030,083</b>	<b>876,273</b>	<b>841,498</b>	<b>81.7</b>	
<b>Total Meat &amp; Poultry</b>	<b>2,283,840</b>	<b>2,035,320</b>	<b>2,018,707</b>	<b>88.4</b>	

1/ Includes all boxed boneless beef, such as ground beef, roasts, steaks, loins, strips, rounds, trimmings, etc. Variety meats (edible offal), such as tongues, livers, hearts, kidneys and other organs removed from slaughtered beef are included as miscellaneous freezer stocks. 2/ Includes all boxed primal beef cuts, bone-in. 3/ Includes full ham, bone removed and individual muscles separated. 4/ Includes pork tenderloins.  
5/ Includes spareribs and backribs. 6/ Includes 42% regular trimmings, 72% special trimmings, boneless picnic meat, jowls, neckbone trimmings, blade, cheek, head and shank meat, etc. Packaged bacon, sausage, and processed items such as hot dogs and luncheon meats, are included in miscellaneous cooler or freezer stocks. 7/ Includes ears, tails, feet, neckbones and snouts.  
8/ Includes tongues, kidneys, livers, stomachs, hearts, chitterlings, salivary glands, and other organs. 9/ Includes product unable to be classified elsewhere in this report.

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