

Lamb Market Outlook

ASI

Scottsdale, AZ

January 24, 2020

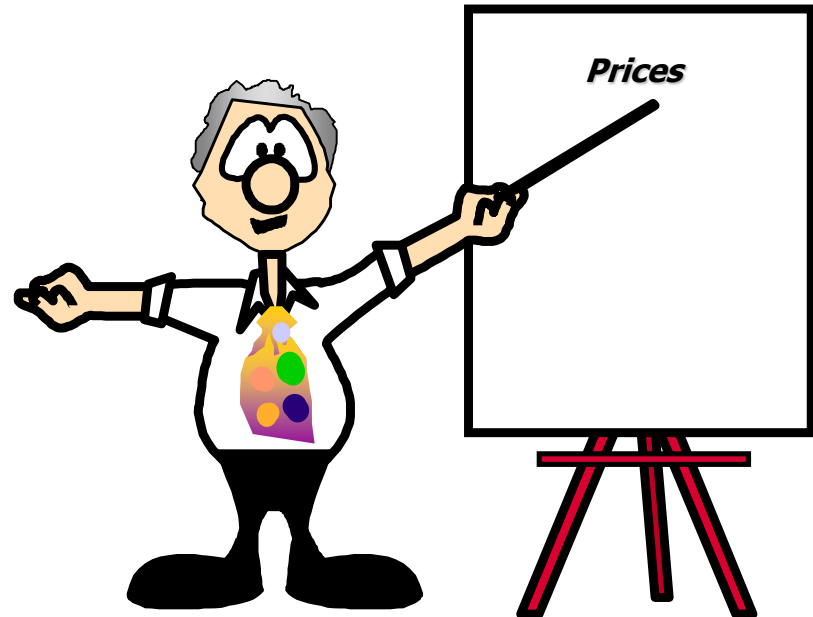
David P. Anderson

Professor and Extension Economist

TEXAS A&M
AGRILIFE
EXTENSION

Overview

- Usual Suspects
- Production
- Demand



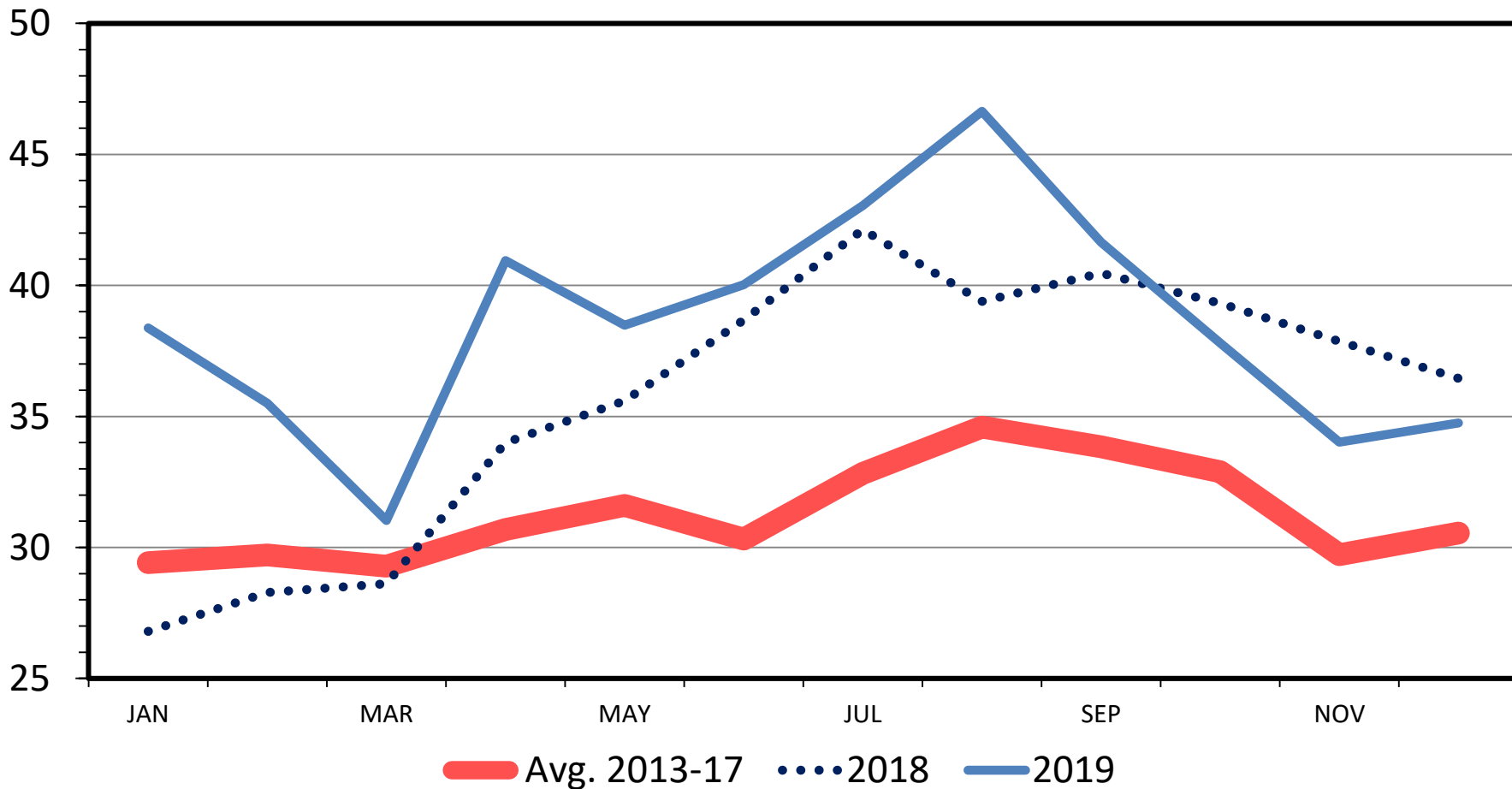
The Usual Suspects

- Stocks
- Imports
- Weights

LAMB AND MUTTON IN COLD STORAGE

Frozen, End of the Month

Mil. Pounds



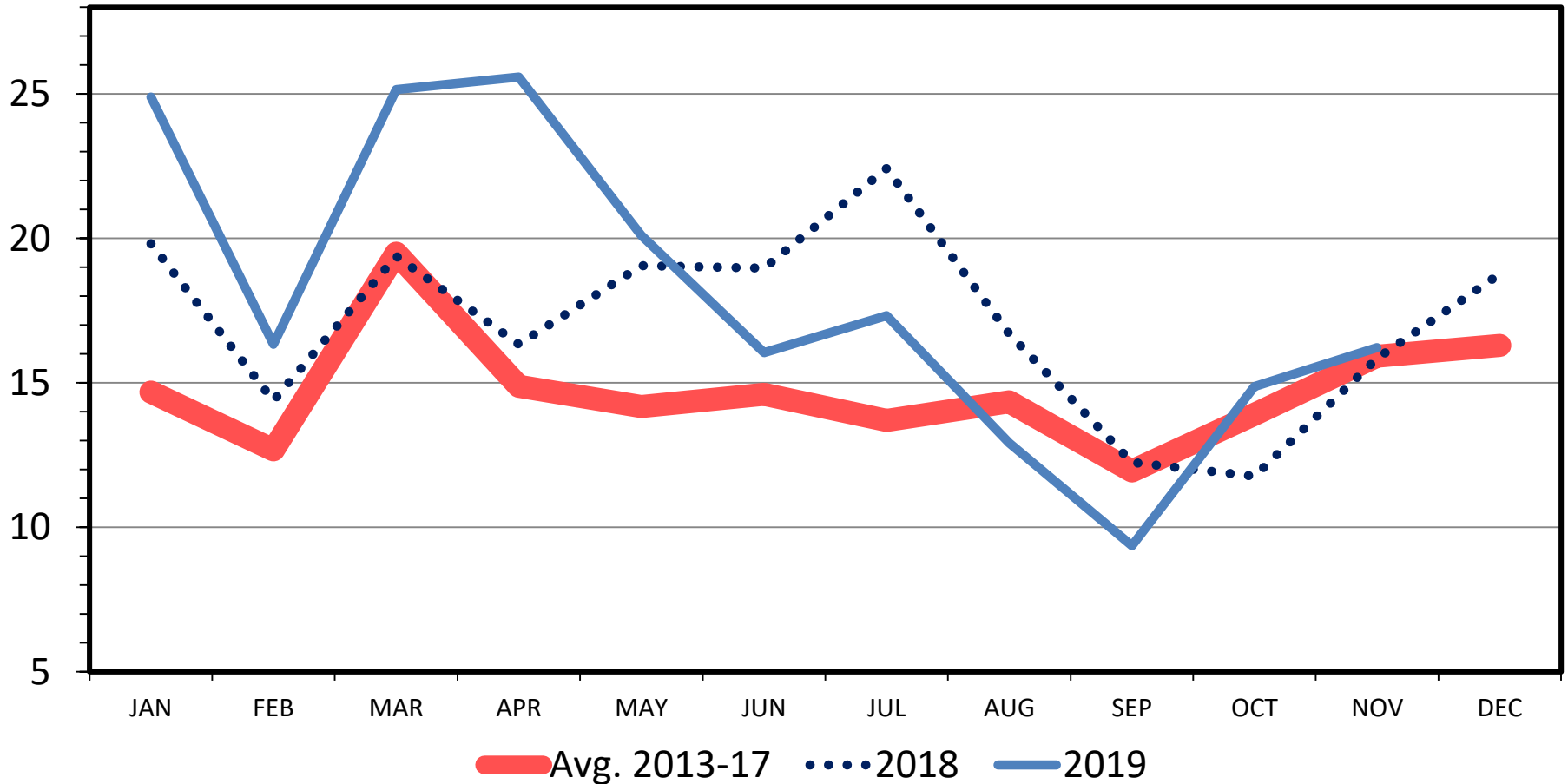
Data Source: USDA-NASS

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US LAMB IMPORTS

Carcass Weight, Monthly

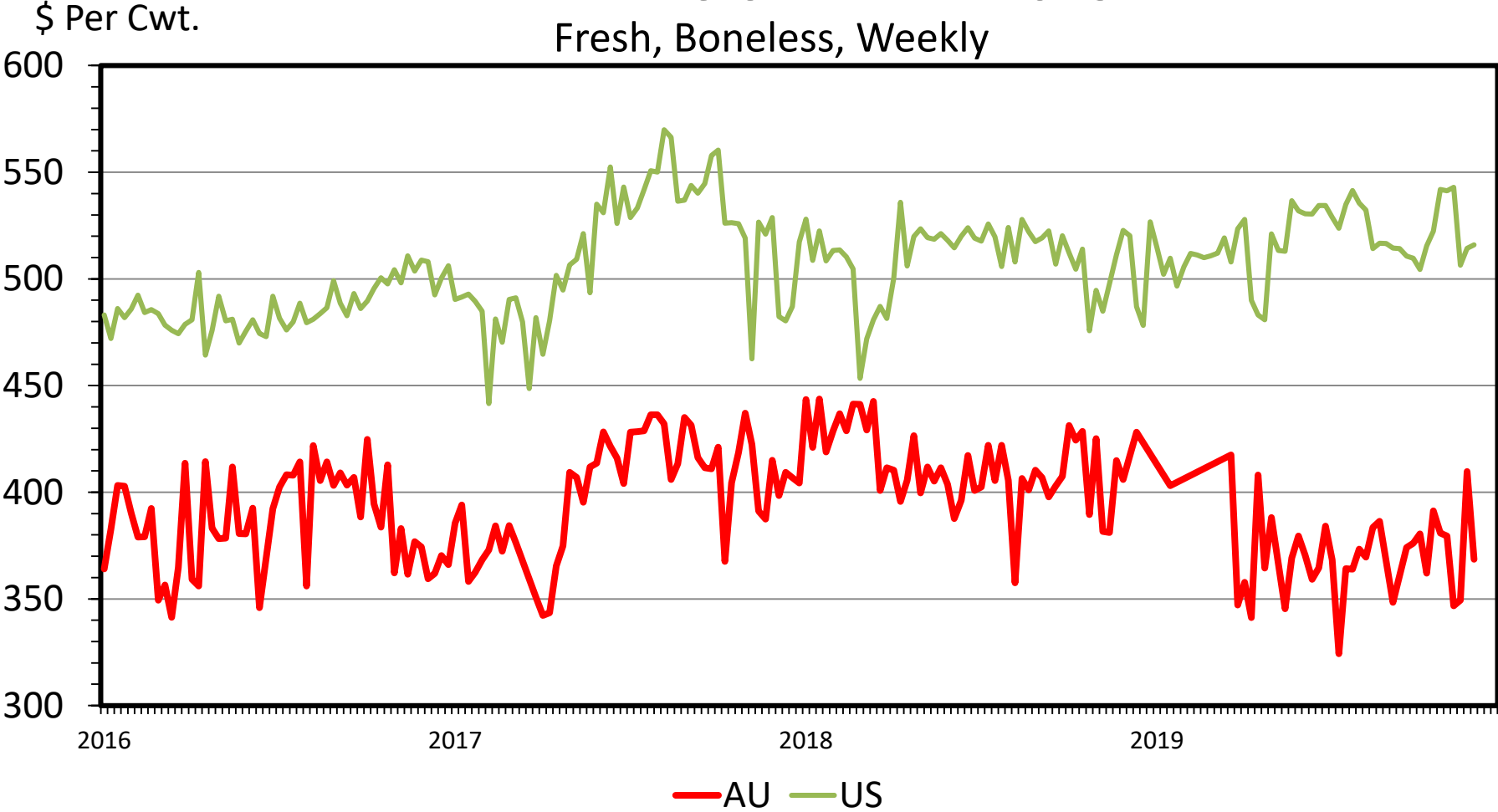
Mil. Pounds



Data Source: USDA-ERS & USDA-FAS
Livestock Marketing Information Center

AUSTRALIA vs U.S. PARTIAL LEG OF LAMB PRICES

Fresh, Boneless, Weekly

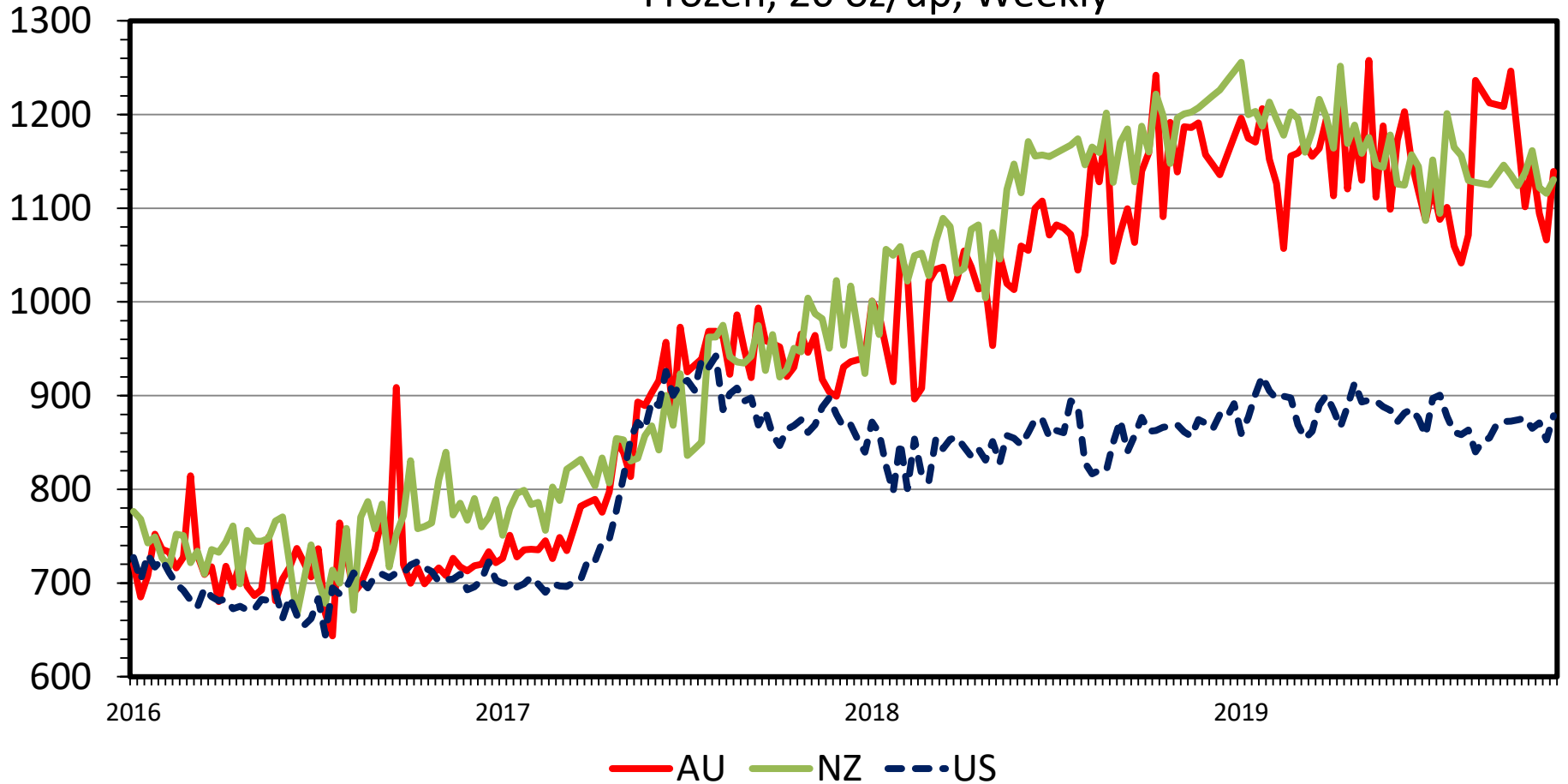


Data Source: USDA-AMS, Compiled & Analysis by LMIC
Livestock Marketing Information Center

AUSTRALIA vs. NEW ZEALAND vs. U.S. RACK PRICES

\$ Per Cwt.

Frozen, 20 oz/up, Weekly

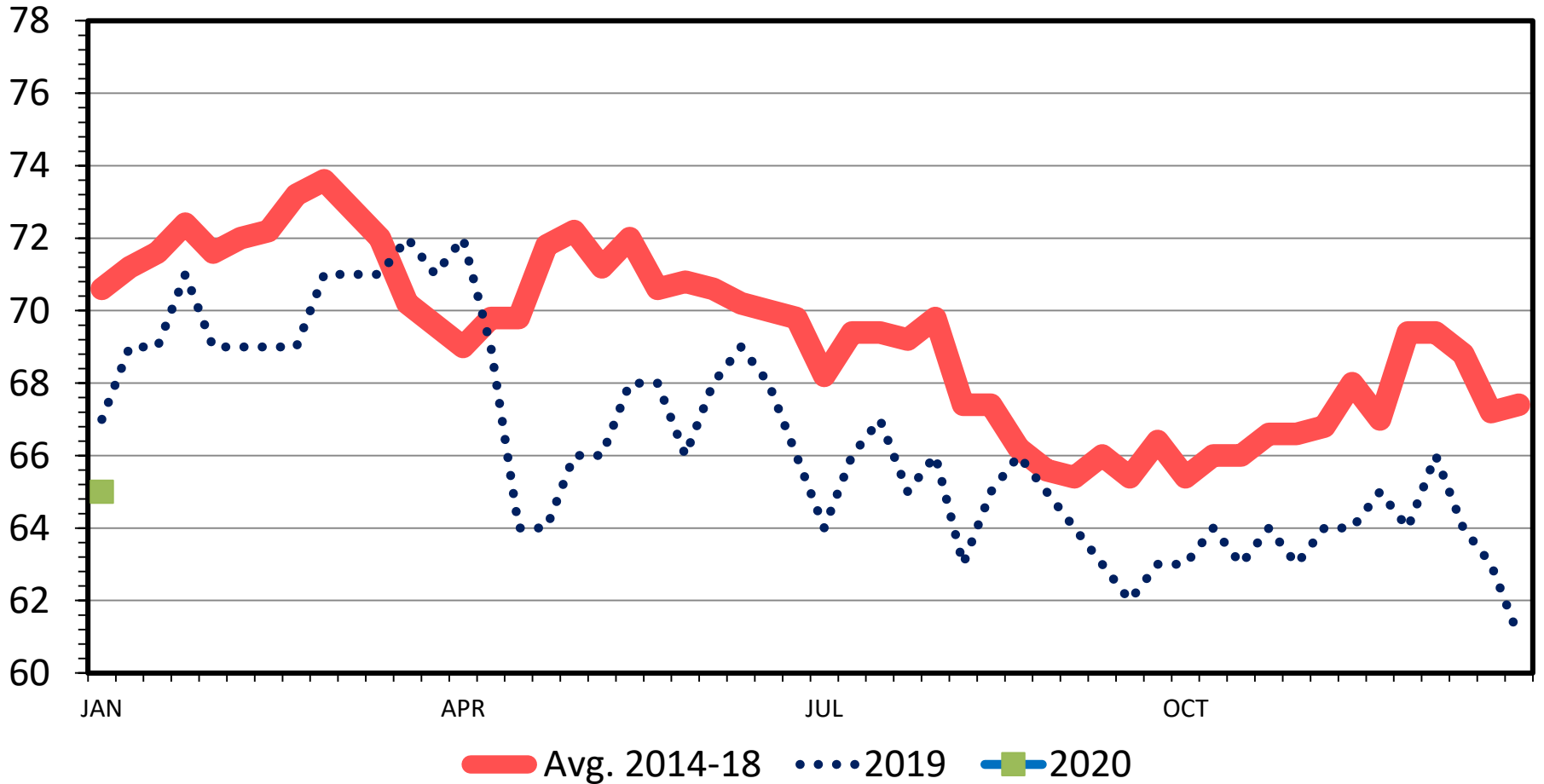


Data Source: USDA-AMS, Compiled & Analysis by LMIC
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LAMB AND YEARLING DRESSED WEIGHT

Federally Inspected, Weekly

Thou. Head



Data Source: USDA-AMS & USDA-NASS

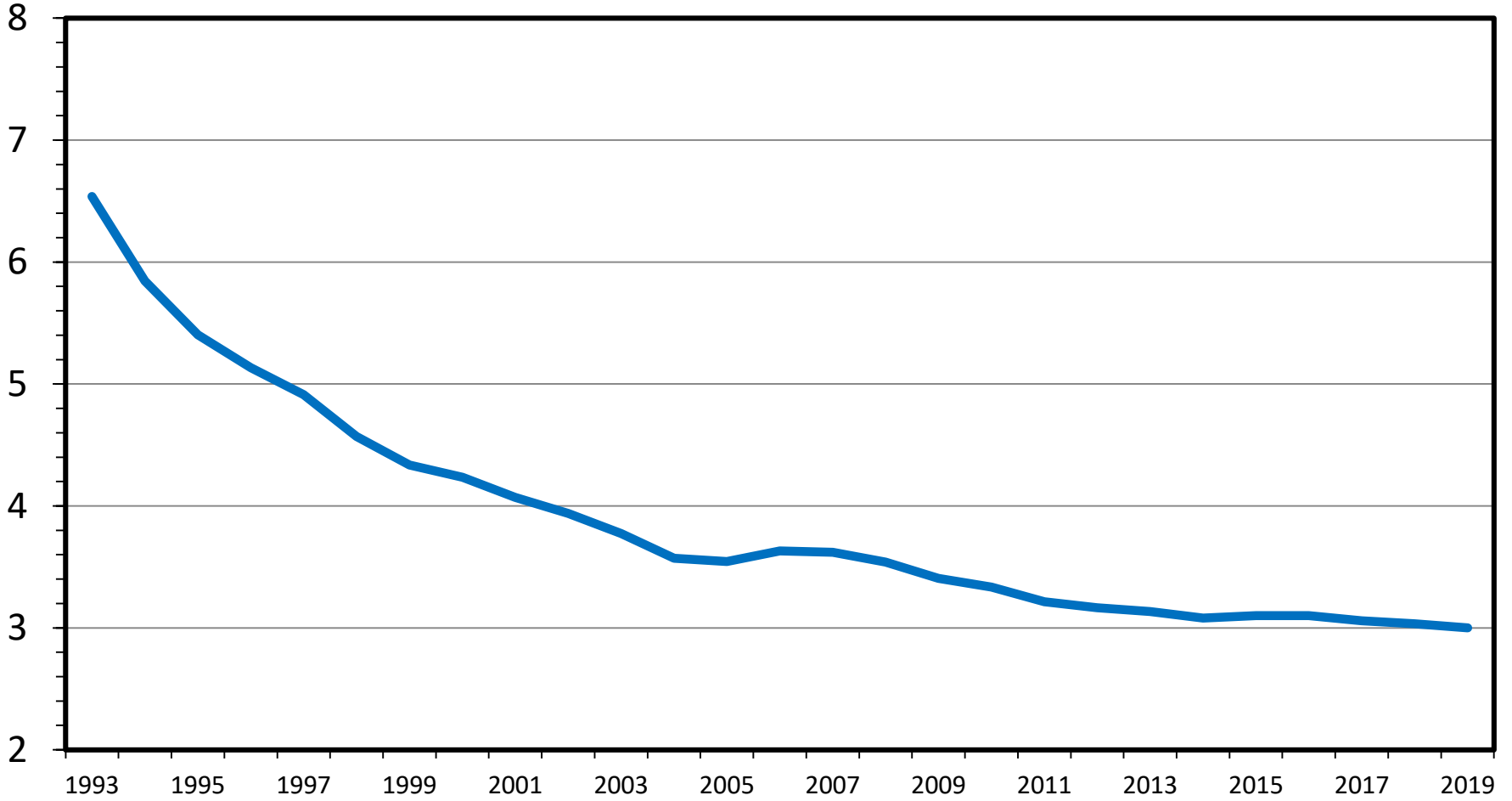
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Production

BREEDING EWES 1 YEAR & OLDER

January 1, U.S., Annual

Mil. Head

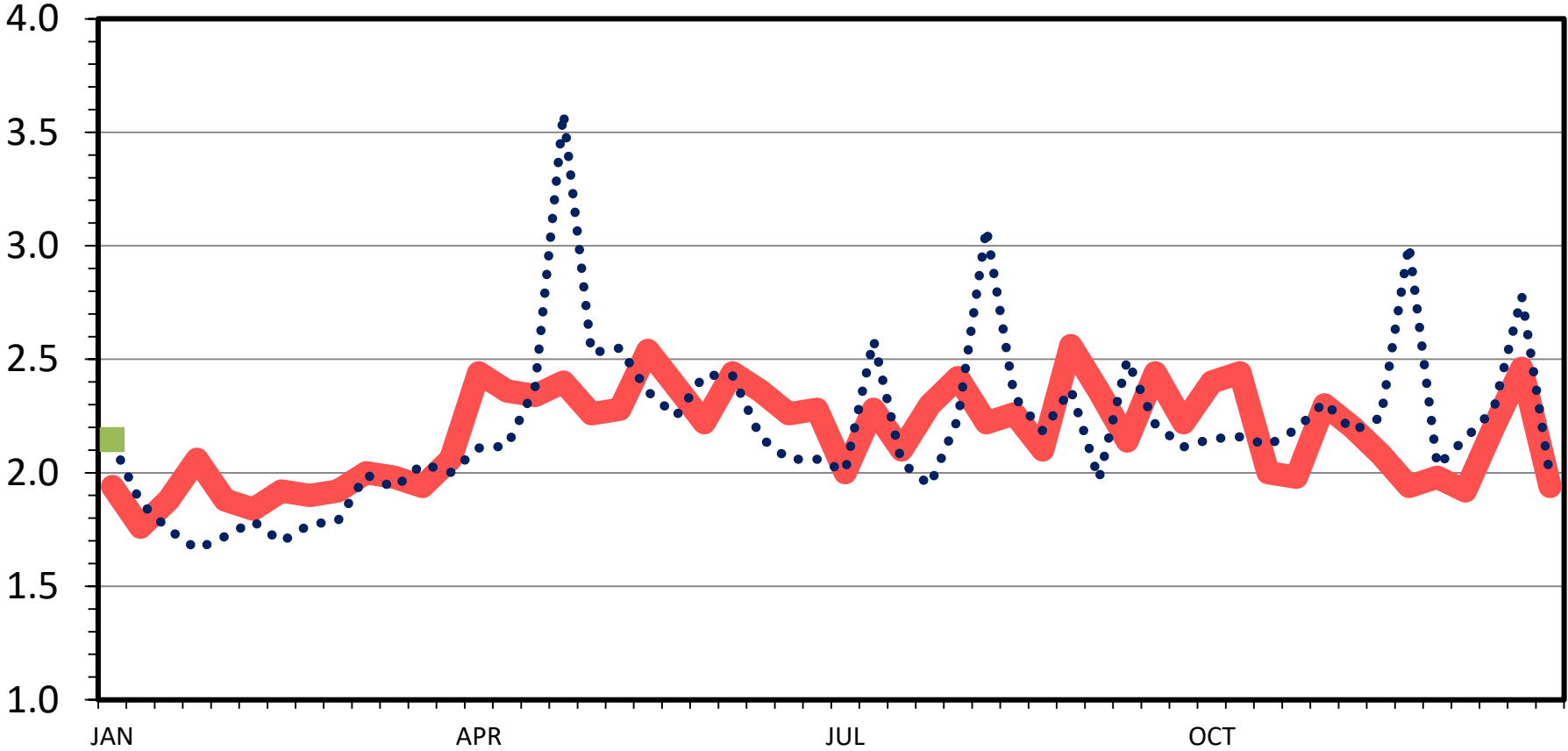


Data Source: USDA-NASS
Livestock Marketing Information Center

MATURE SHEEP SLAUGHTER

Federally Inspected, Weekly

Thou. Head



— Avg. 2014-18 ···· 2019 ■ 2020

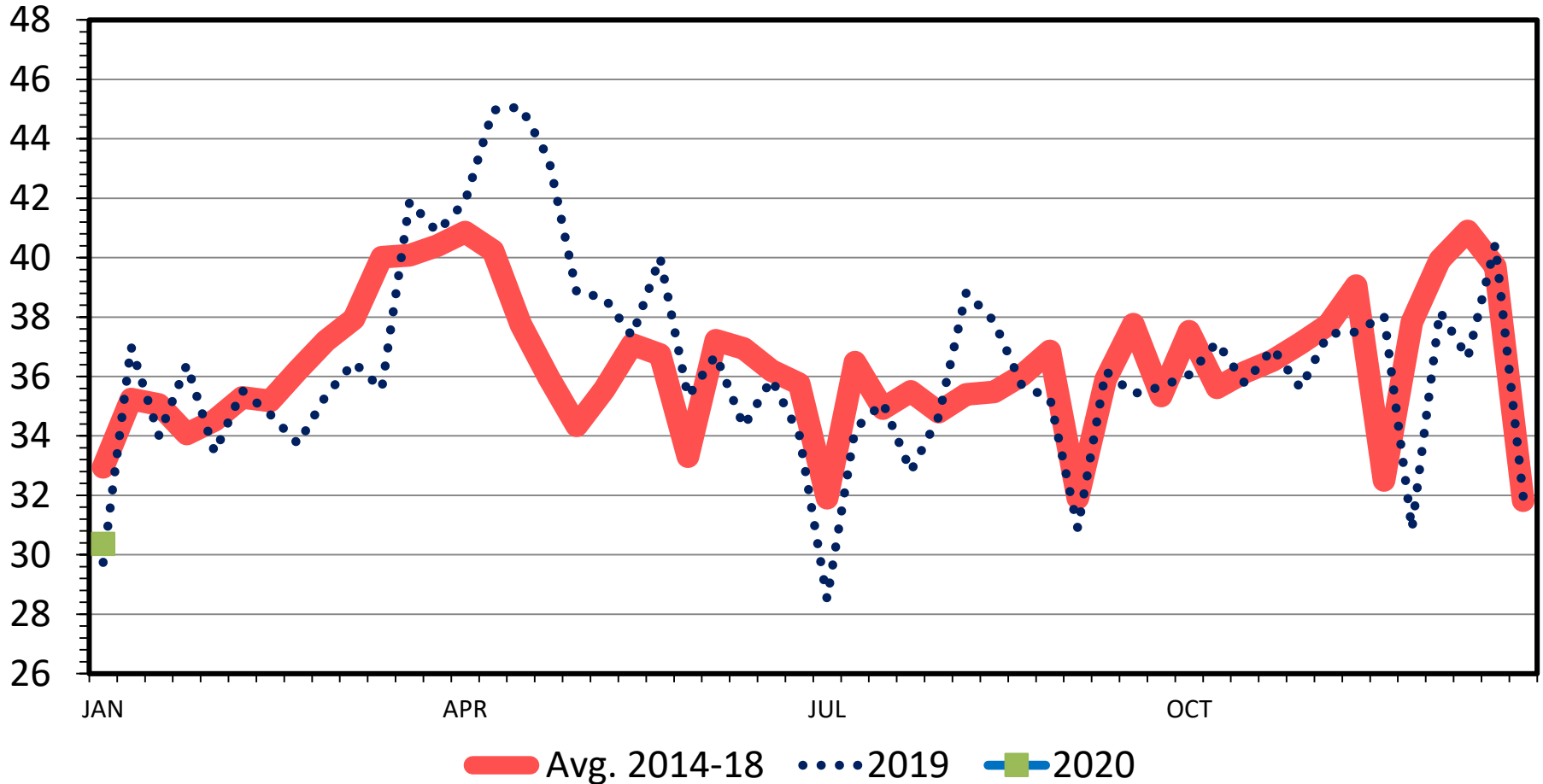
Data Source: USDA-AMS & USDA-NASS

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LAMB AND YEARLING SLAUGHTER

Federally Inspected, Weekly

Thou. Head



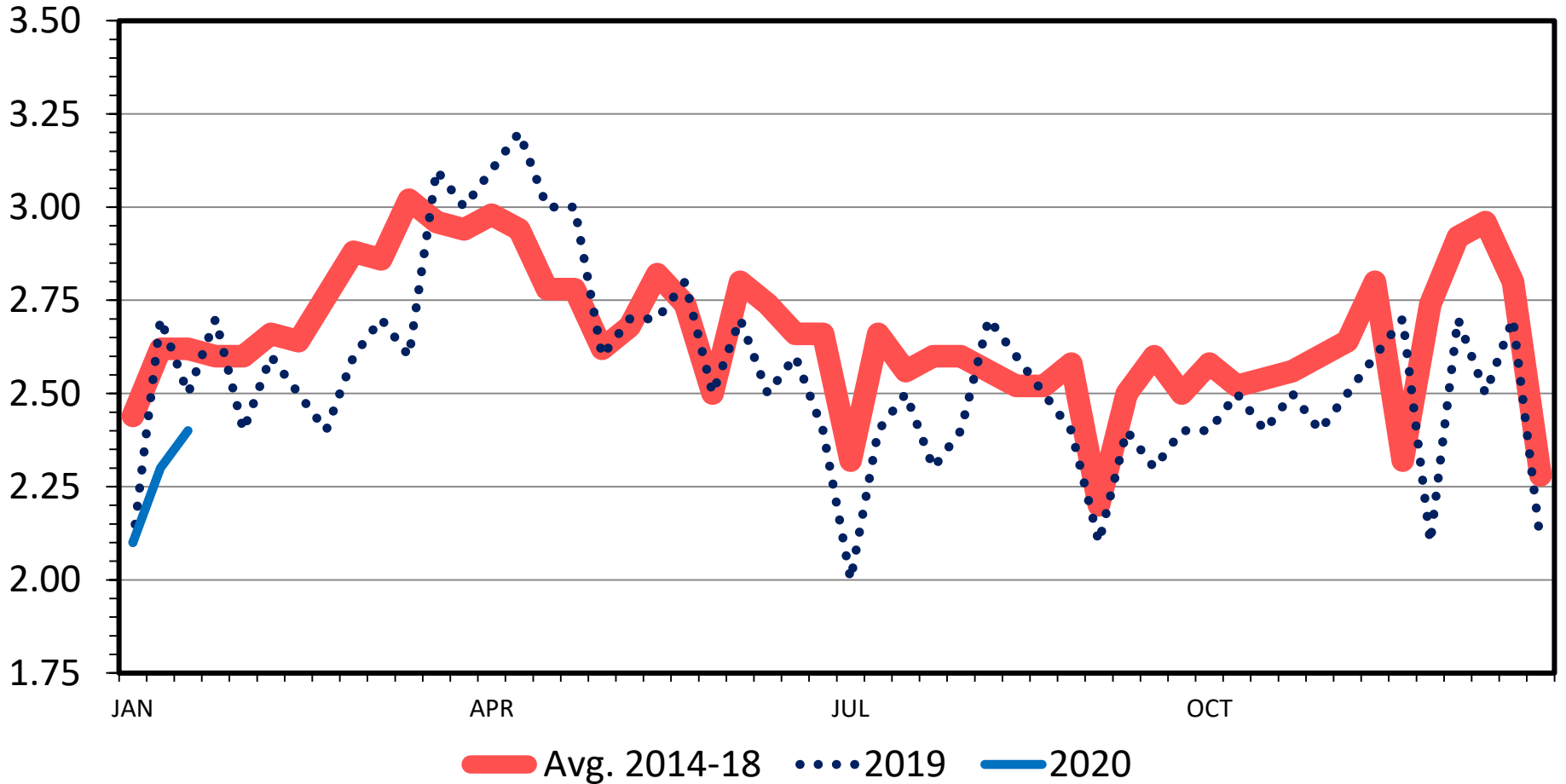
Data Source: USDA-AMS & USDA-NASS

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LAMB AND MUTTON PRODUCTION

Federally Inspected, Weekly

Mil. Pounds



Data Source: USDA-AMS & USDA-NASS

Livestock Marketing Information Center

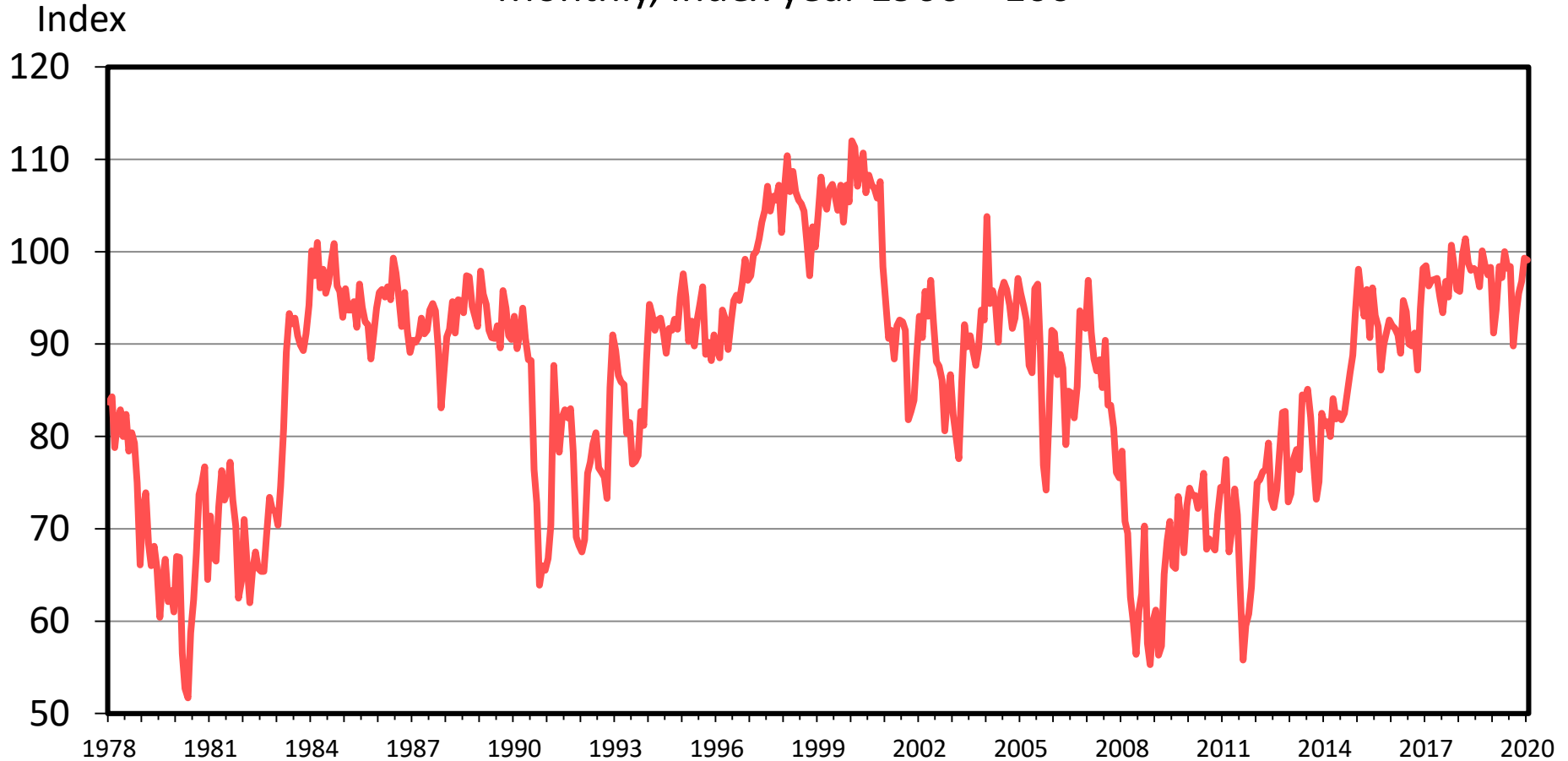
Demand

Demand Thoughts

- Starting 2020 With:
 - Higher wholesale cut and cutout prices than a year ago
 - And higher live lamb prices
- Growing Economy
- Consumer Confidence
- Fake Meat?

DOMESTIC U.S. CONSUMER SENTIMENT

Monthly, Index year 1966 = 100

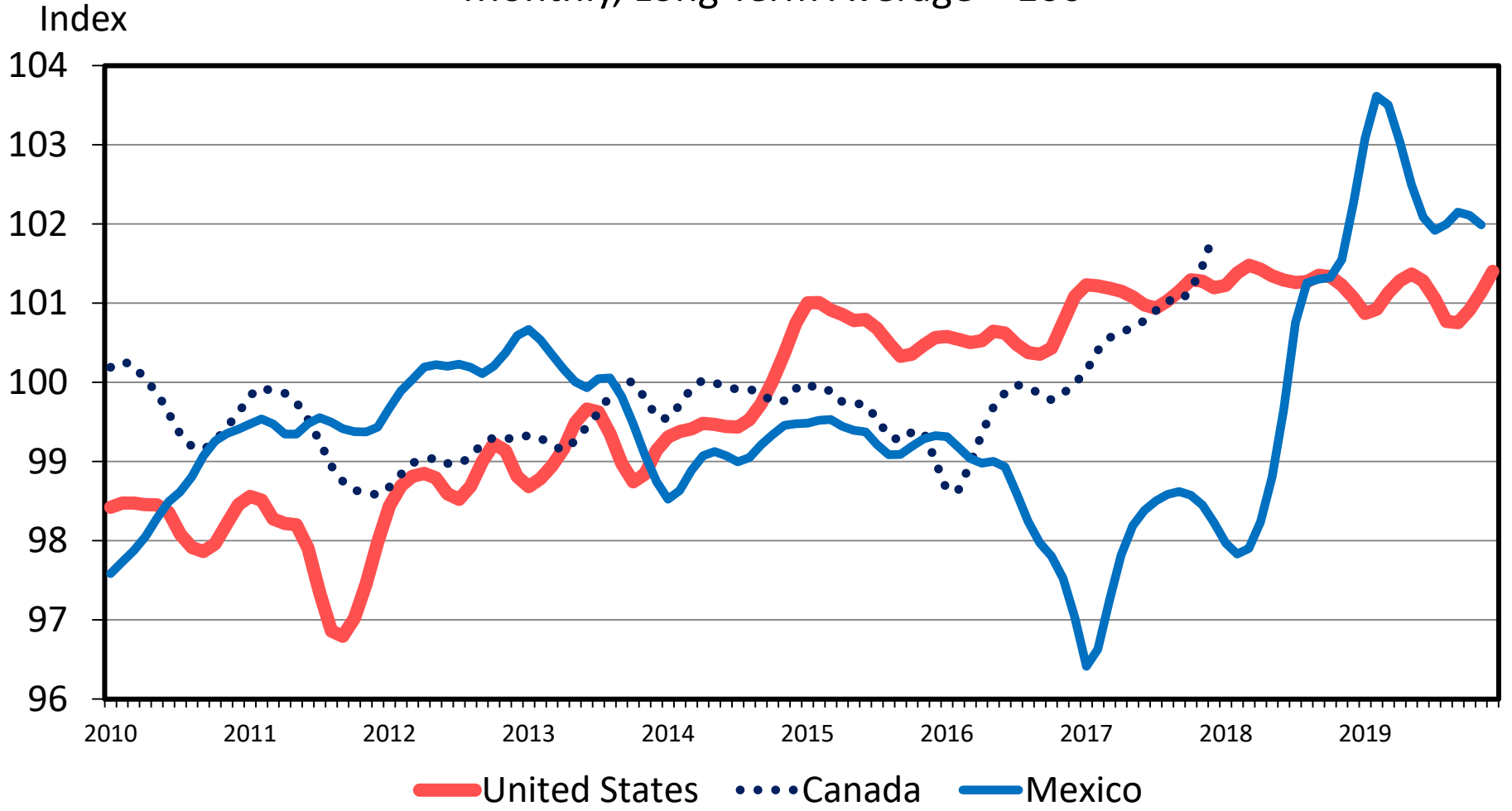


Data Source: Thomson Reuters/University of Michigan

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NORTH AMERICA CONSUMER CONFIDENCE

Monthly, Long Term Average = 100

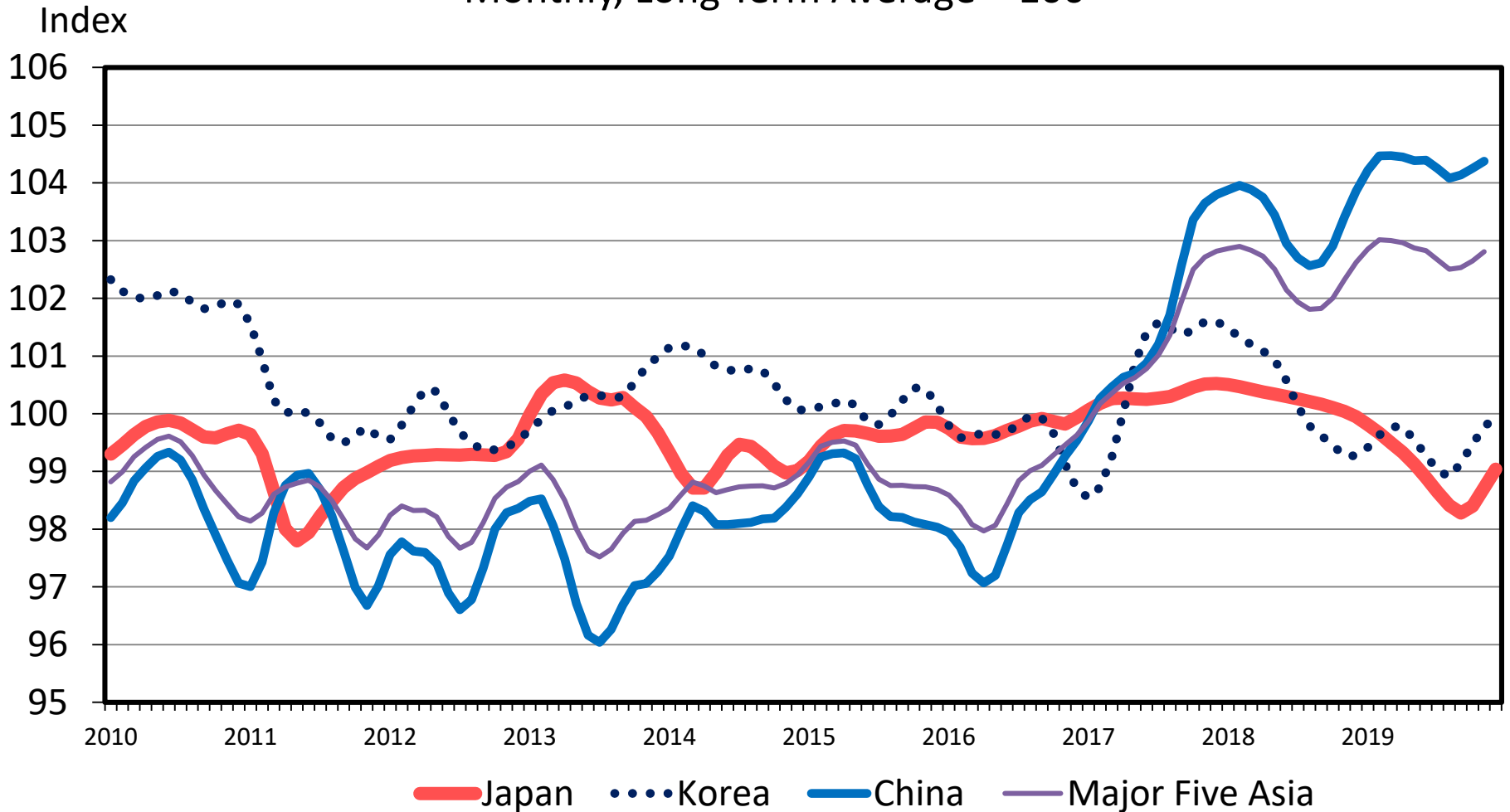


Data Source: OECD

Livestock Marketing Information Center

ASIA CONSUMER CONFIDENCE

Monthly, Long Term Average = 100



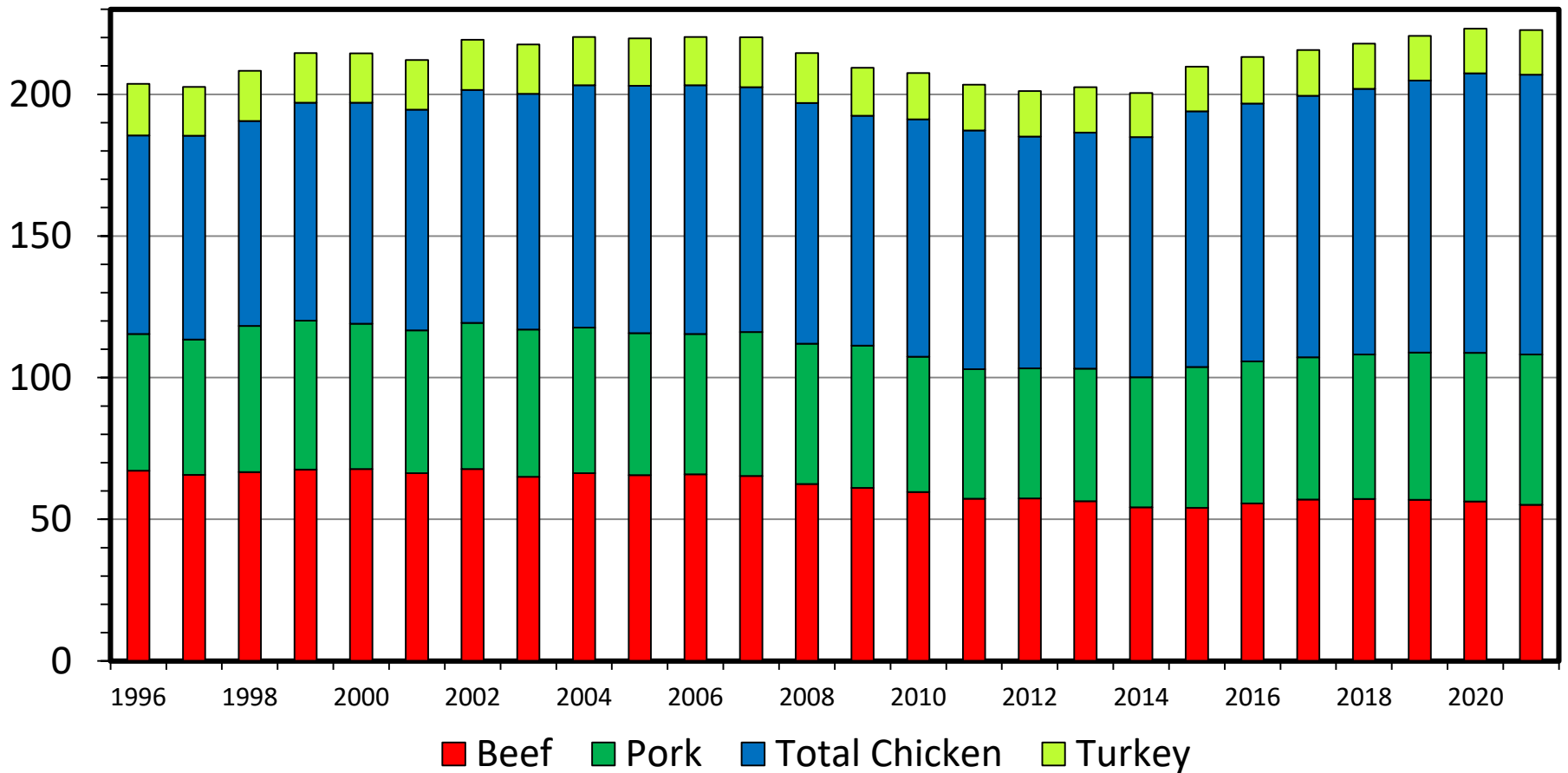
Data Source: OECD

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US RED MEAT & POULTRY CONSUMPTION

Per Capita, Retail Weight, Annual

Pounds

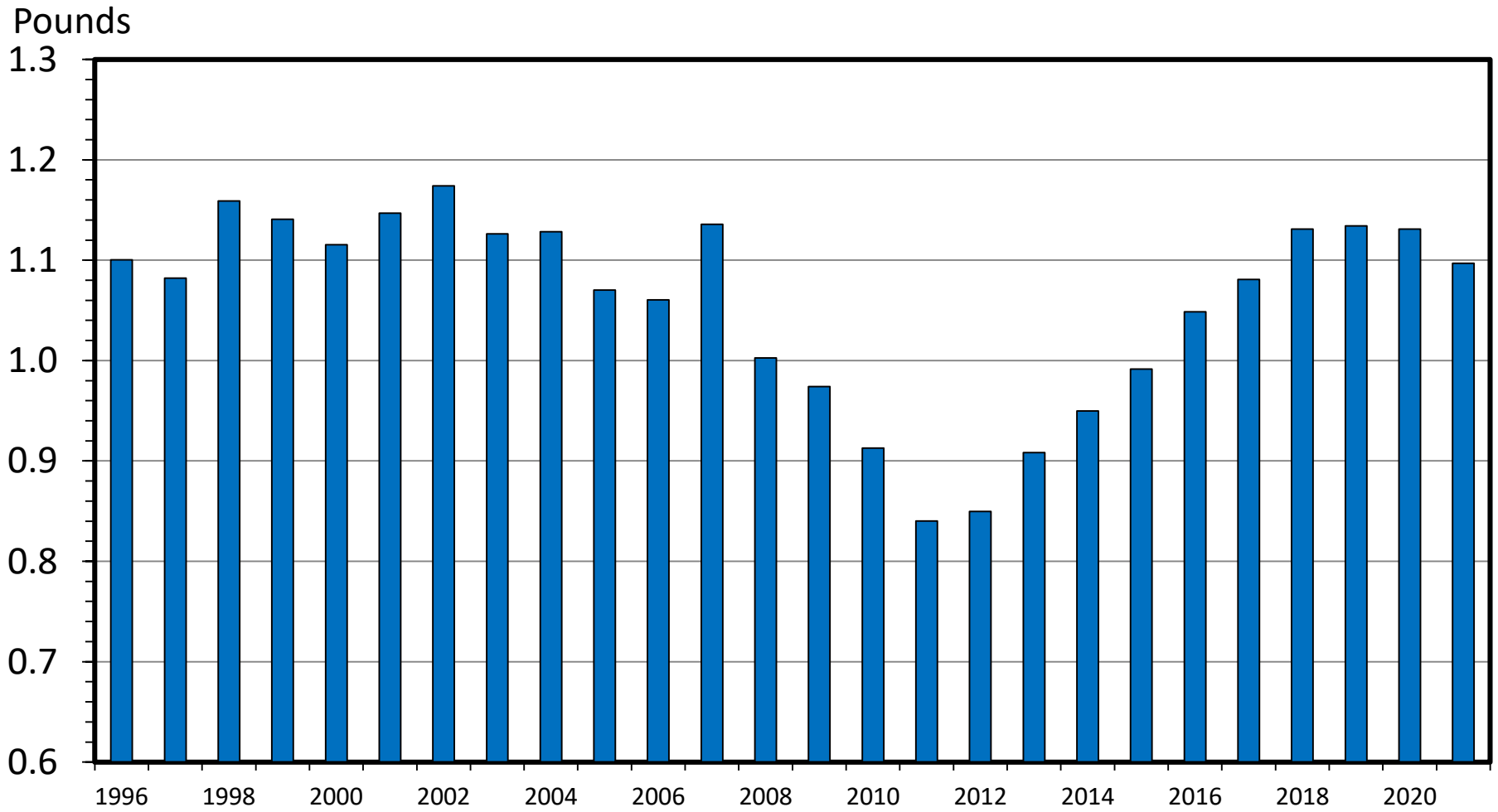


Data Source: USDA-NASS and USDA-ERS, Compiled & Analysis by LMIC

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US LAMB & MUTTON CONSUMPTION

Per Capita, Retail Weight, Annual



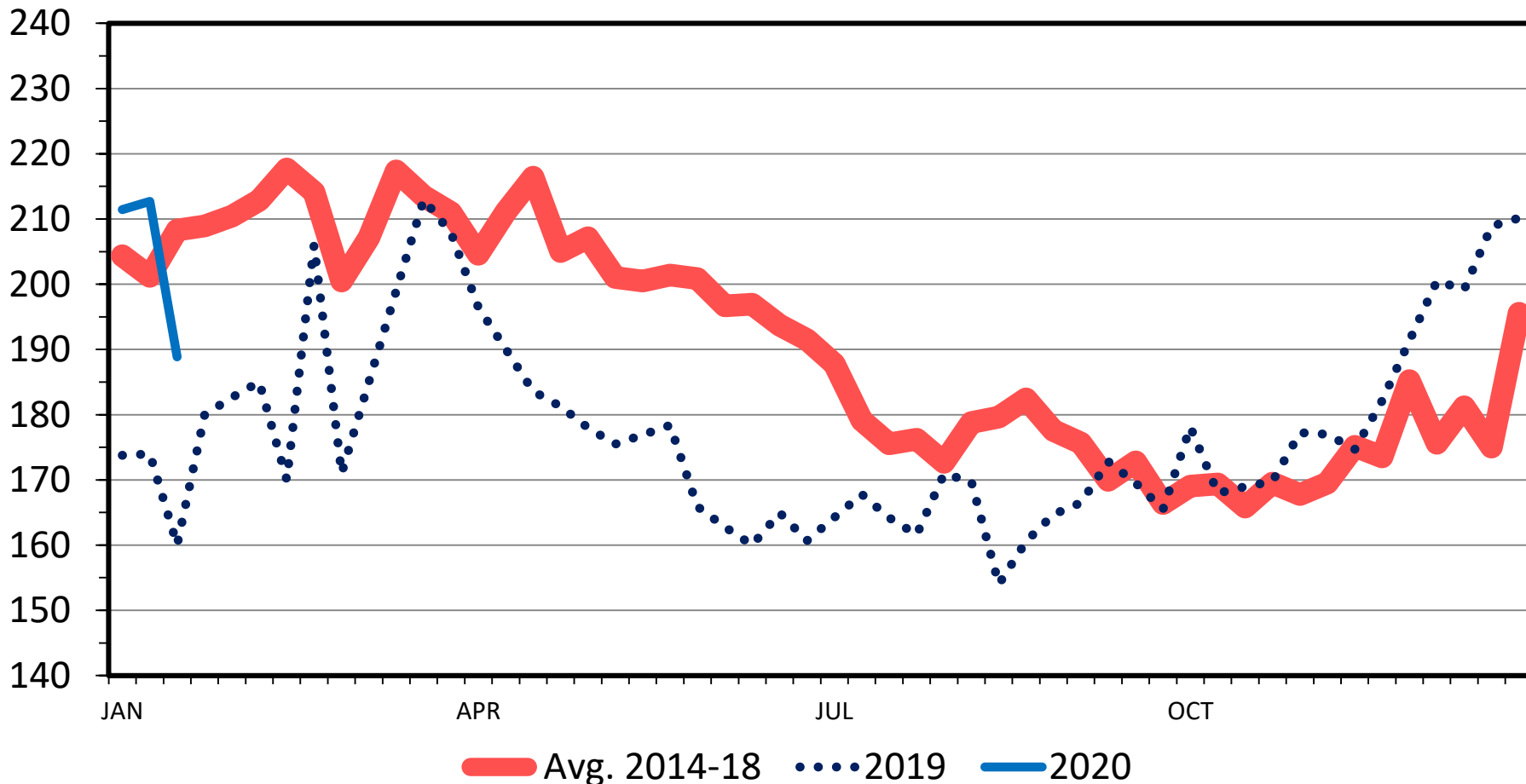
Data Source: USDA-NASS and USDA-ERS, Compiled & Analysis by LMIC

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FEEDER LAMB PRICES

3-Market Average; CO, TX & SD; Weekly

\$ Per Cwt.

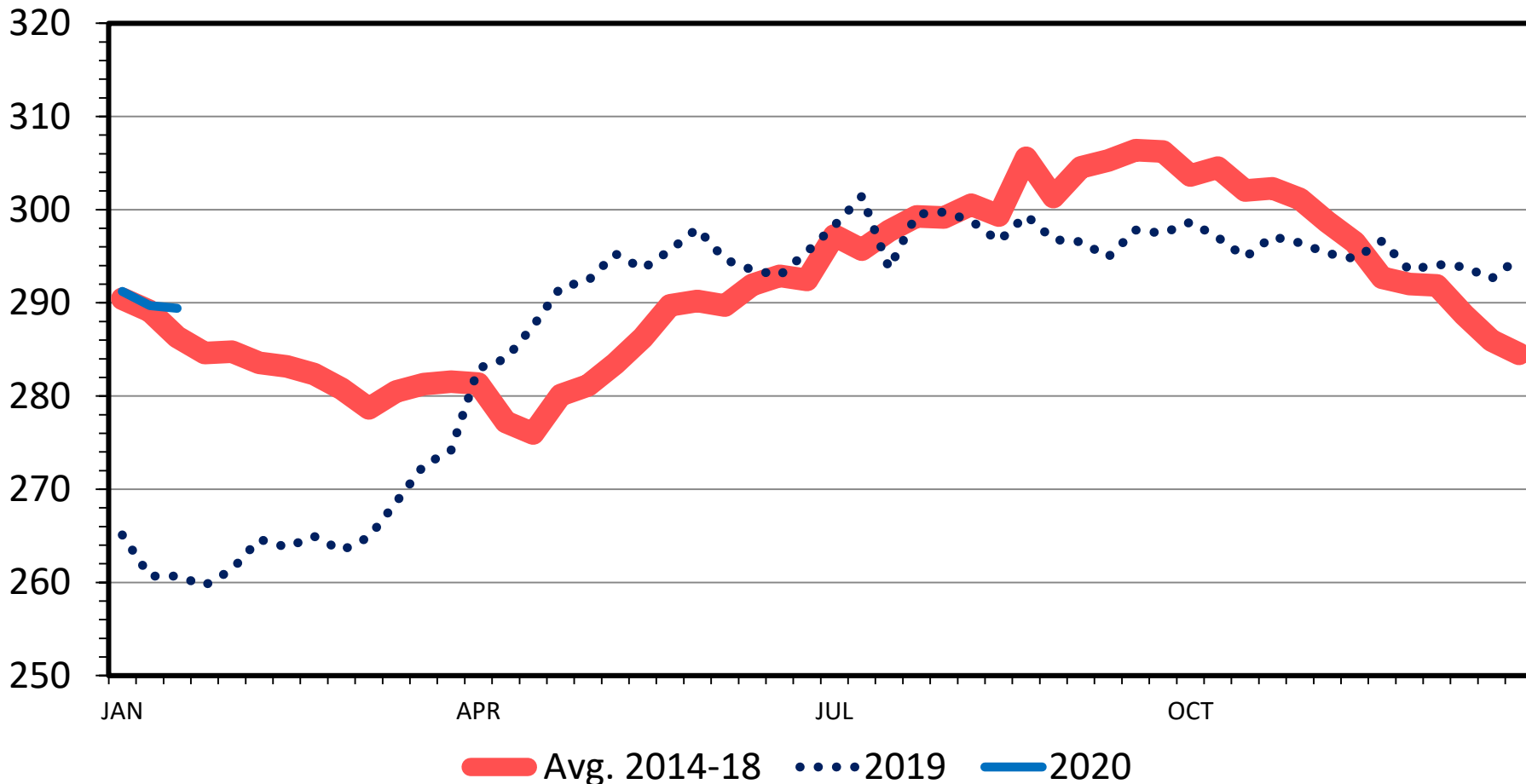


Data Source: USDA-AMS, Compiled by LMIC
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SLAUGHTER LAMB PRICES

National Direct, Hot Carcass, Weekly

\$ Per Cwt.

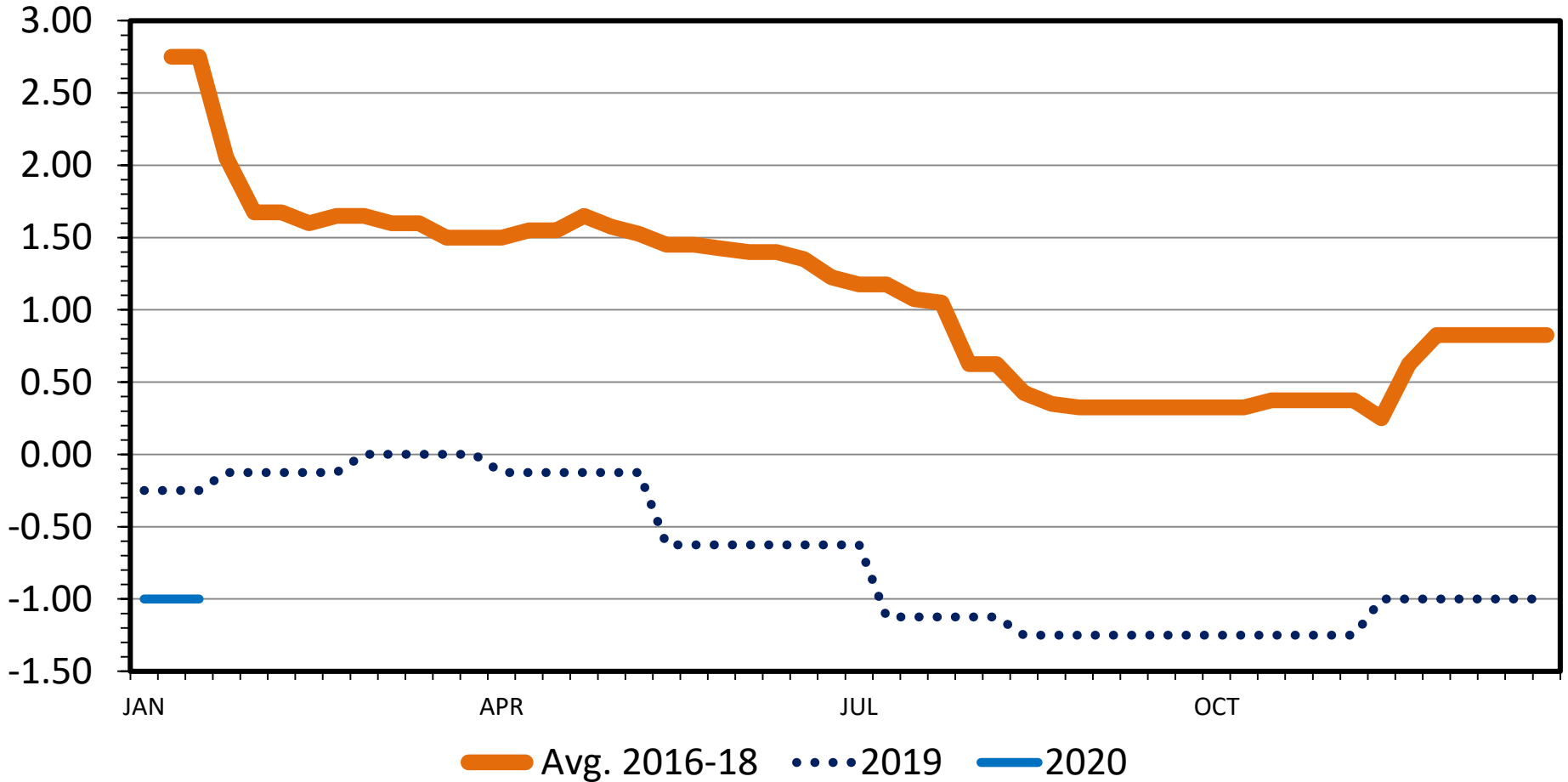


Data Source: USDA-AMS, Compiled by LMIC
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PREMIUM UNSHORN LAMB PELT PRICES

FOB, Weekly

\$ Per Pelt



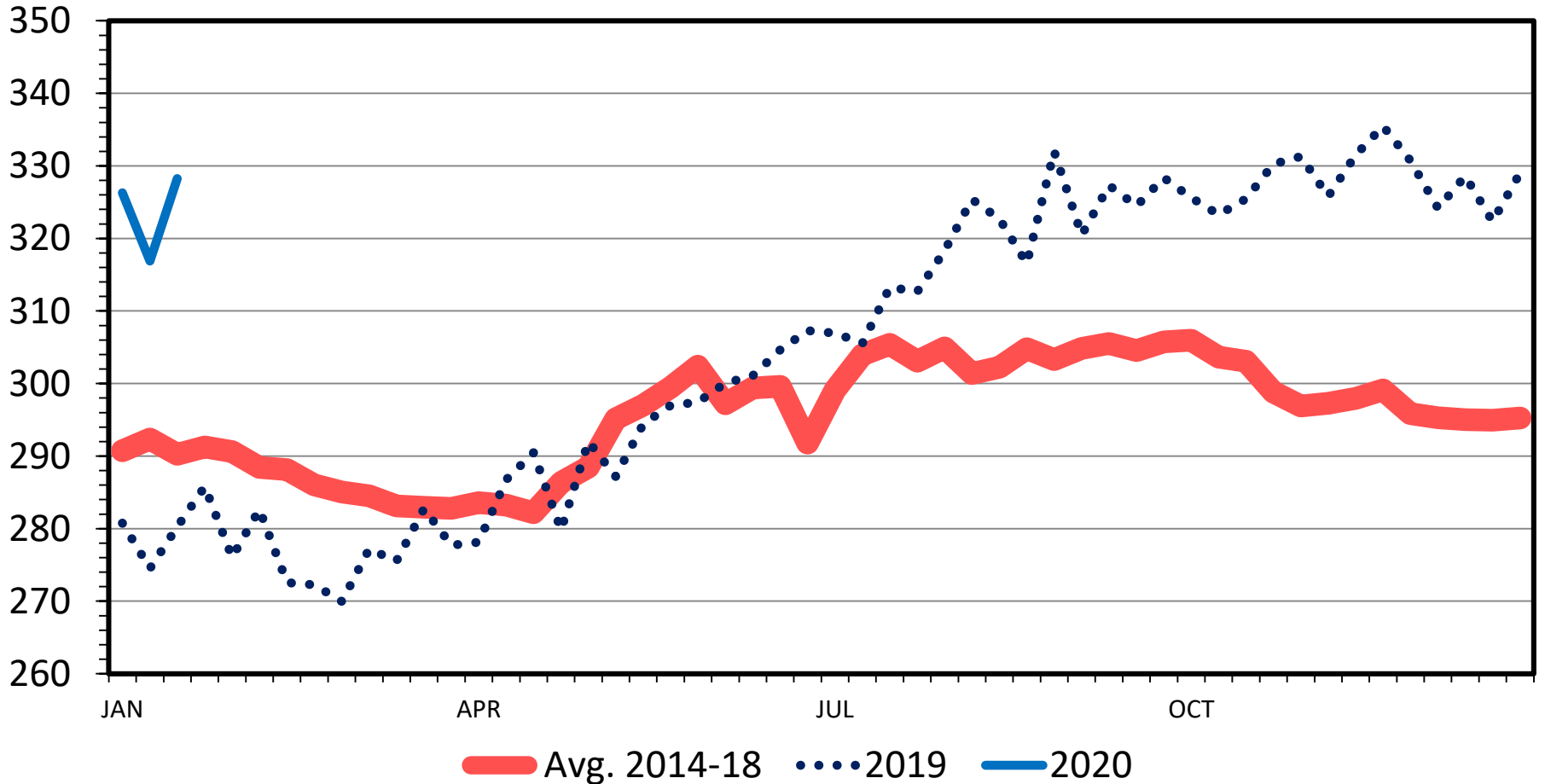
Data Source: USDA-AMS

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BOXED LAMB SHOULDER PRICES

Square Cut, 5 Day Rolling Average

\$ Per Cwt.



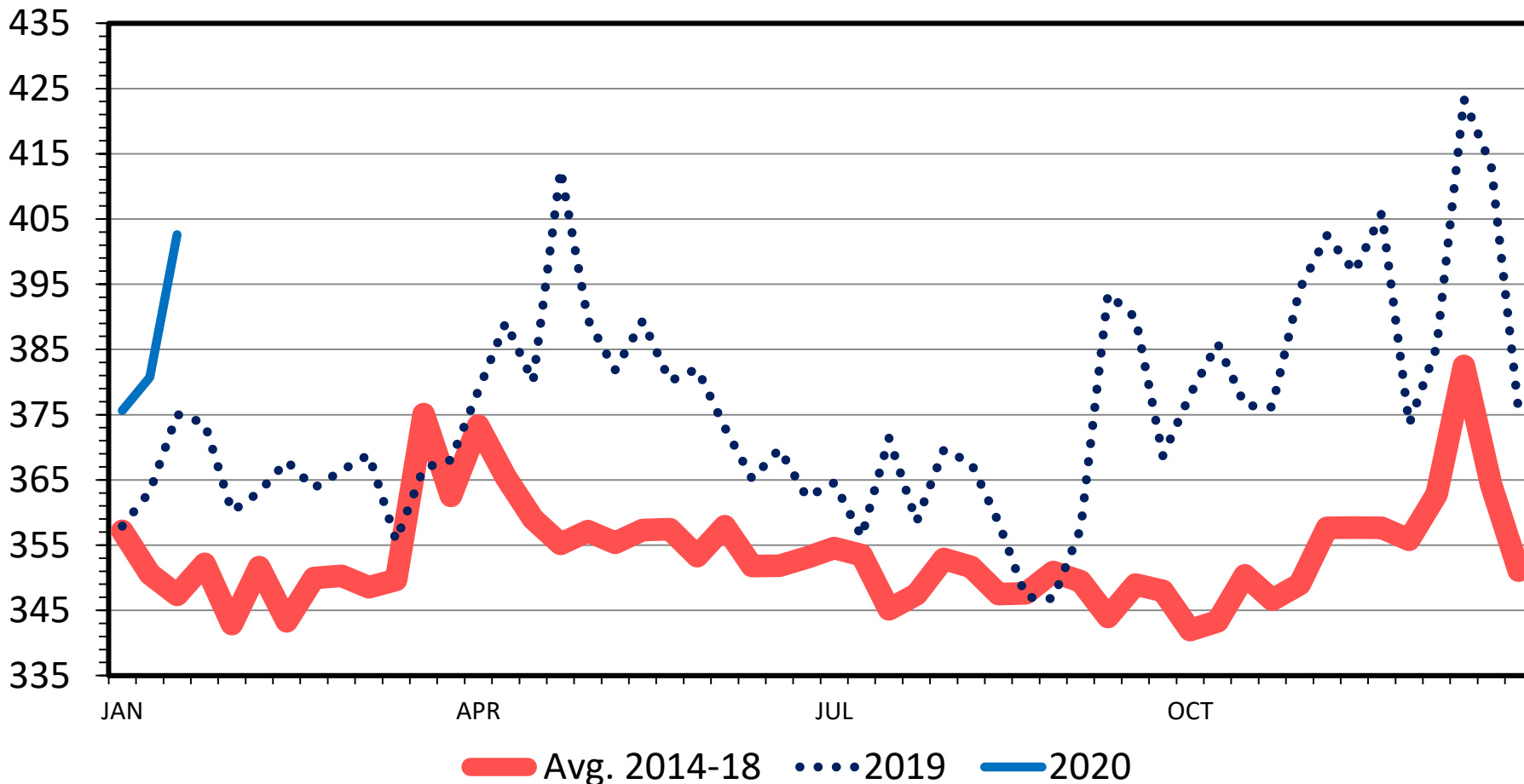
Data Source: USDA-AMS

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BOXED LAMB SINGLE LEG PRICES

Trotter Off, 5 Day Rolling Average

\$ Per Cwt.



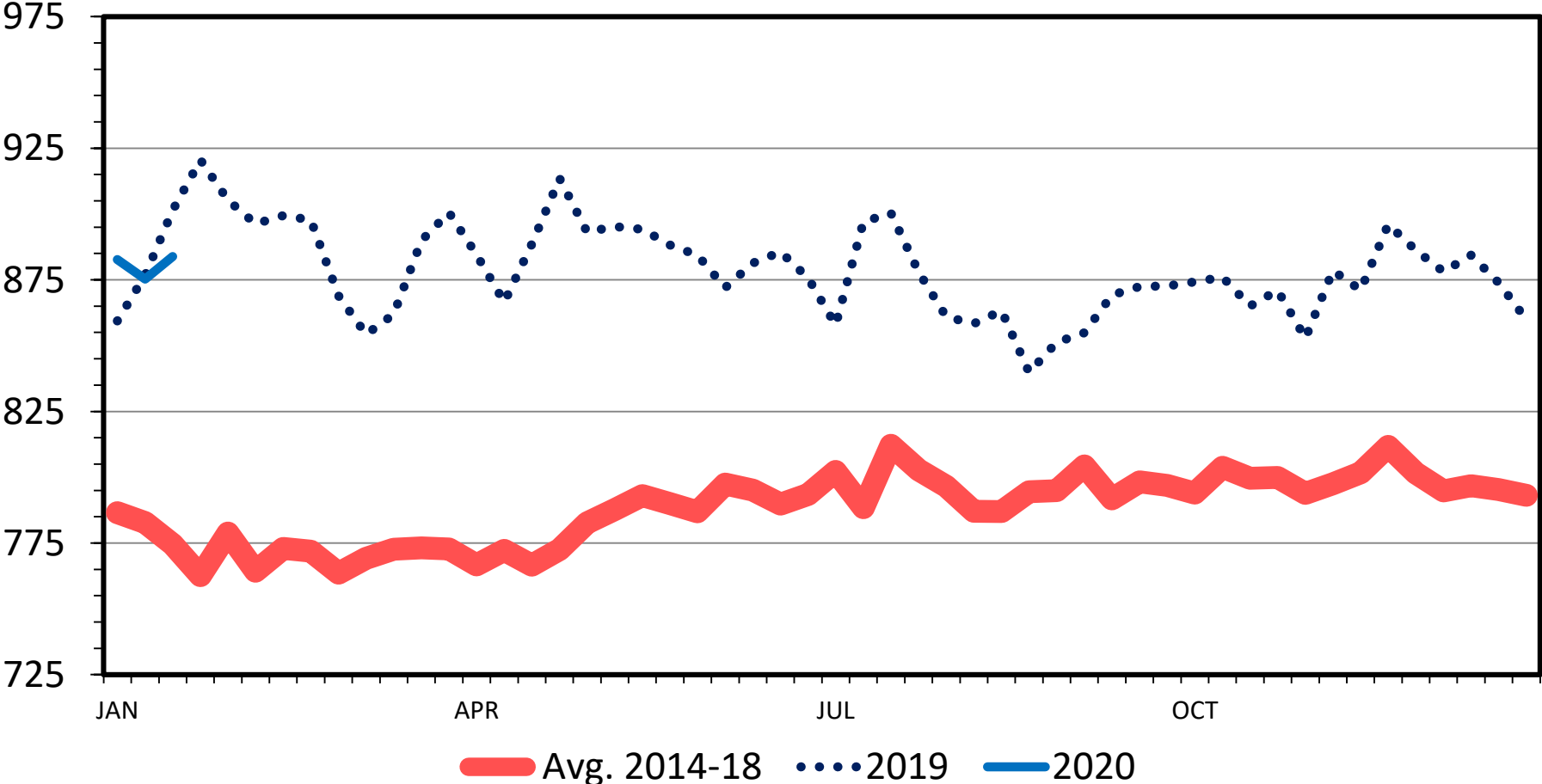
Data Source: USDA-AMS

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BOXED LAMB RACK PRICES

Medium, 5 Day Rolling Average

\$ Per Cwt.



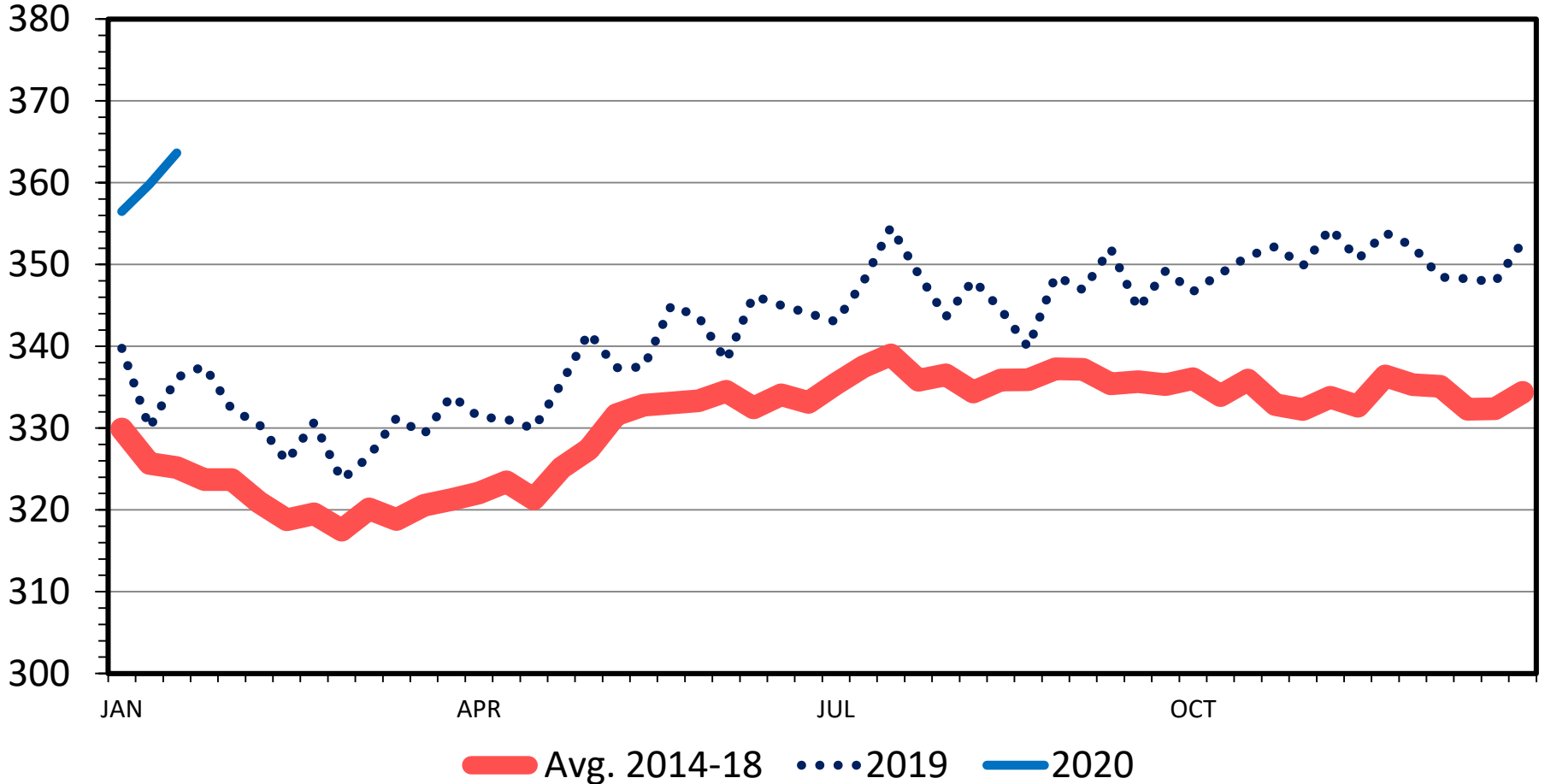
Data Source: USDA-AMS

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NATIONAL LAMB CUTOUT VALUE

Gross Carcass FOB, 5 Day Rolling Avg

\$ Per Cwt.



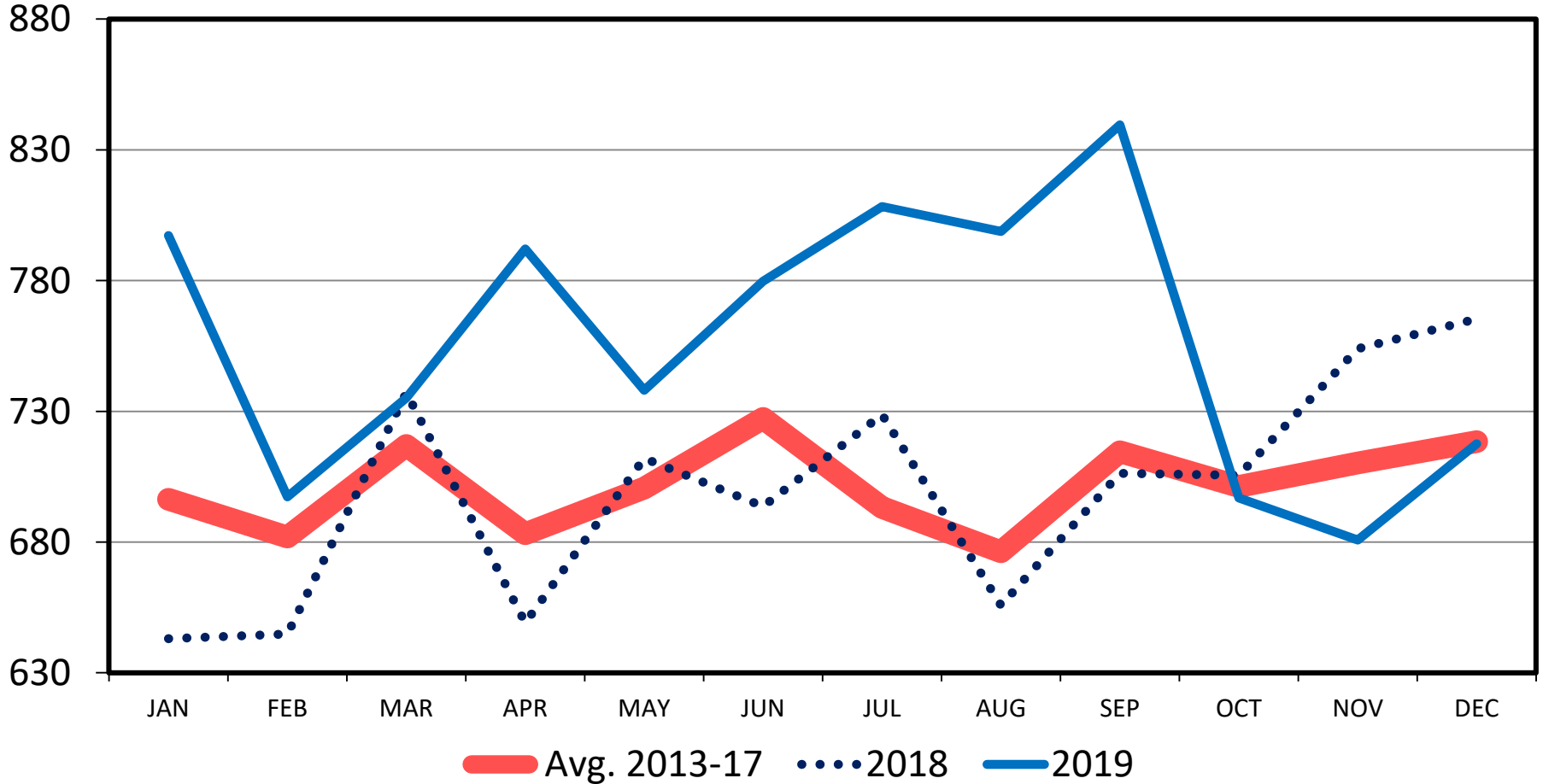
Data Source: USDA-AMS

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RETAIL ALL LAMB FEATURE PRICE

Monthly

Cents Per Pound



Data Source: USDA-AMS
Livestock Marketing Information Center

Summary

- I Expect Higher Lamb Prices
- Large Cold Storage Stocks
 - Able to work those lower
- Imports Are Big Question
 - US is attractive destination
 - Fires, drought, flock rebuilding?
 - China?
- Likely Volatile Prices Remain

Prices for 2017-2020

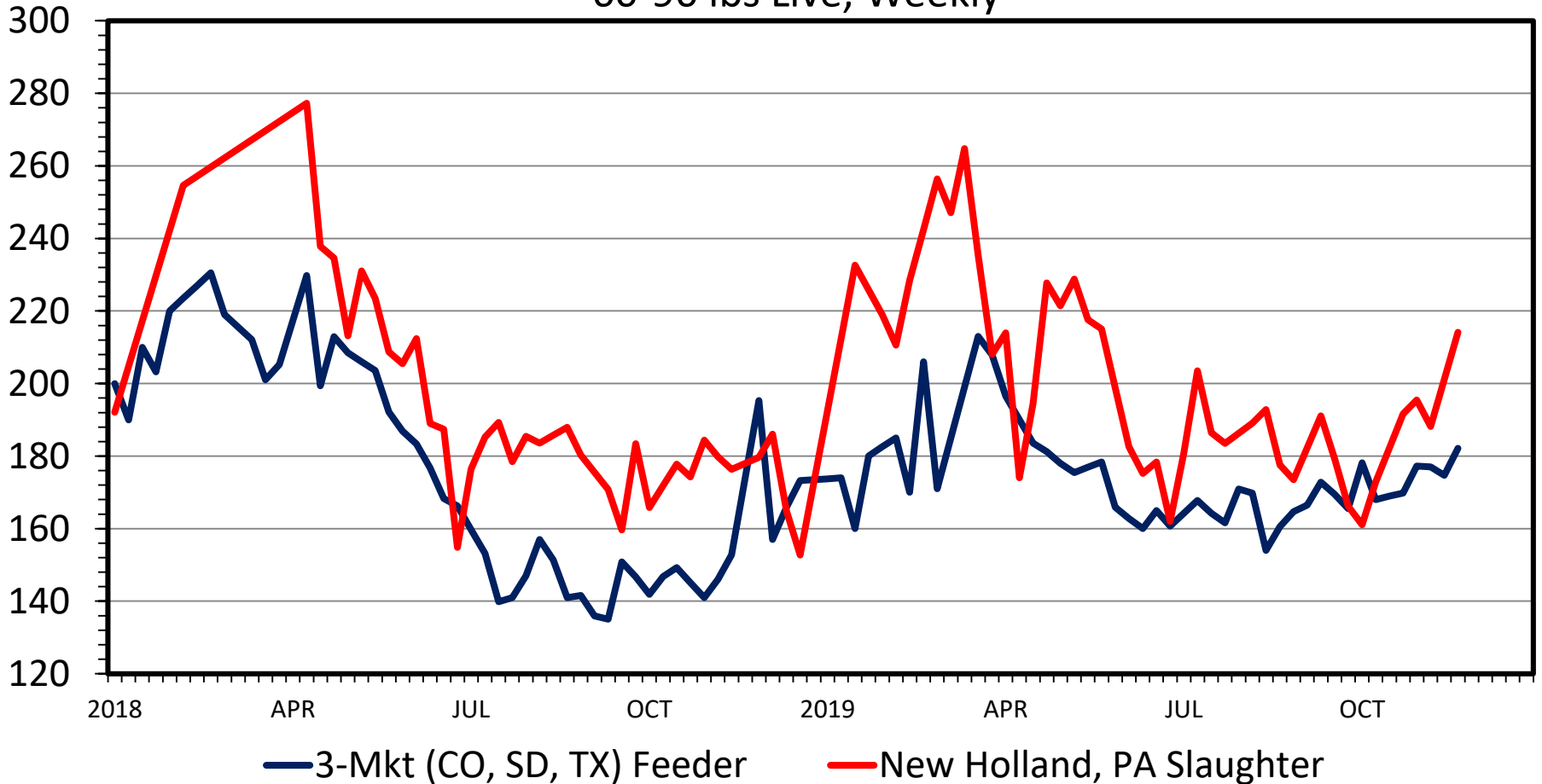
	3 Mkt 60-90 Feeder	Natl. Direct Sltr Lambs
2017	192.71	300.21
2018 I	214.43	262.46
II	194.68	276.30
III	144.64	281.87
IV	156.08	271.17
2019 I	187.94	264.96
II	173.41	292.13
III	165.42	297.77
IV	182.53	295.37
2020 I	180-190	275-285
II	180-192	285-295
III	165-175	290-300
IV	178-185	290-300

THANK YOU!

TRADITIONAL vs NON-TRADITIONAL LAMB PRICES

60-90 lbs Live, Weekly

\$ Per Cwt.



Data Source: USDA-AMS, Compiled & Analysis by LMIC
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FI As A Percent of Commercial Lamb Slaughter

