

Sheep & Lamb Situation and Outlook

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Livestock Marketing Information Center

2022 ASI Annual Convention
San Diego, CA

January 21, 2022



Land Grant Universities (27):



USDA Agencies (8):

ERS
APHIS
GIPSA
NASS
WAOB
AMS
FAS
FCA

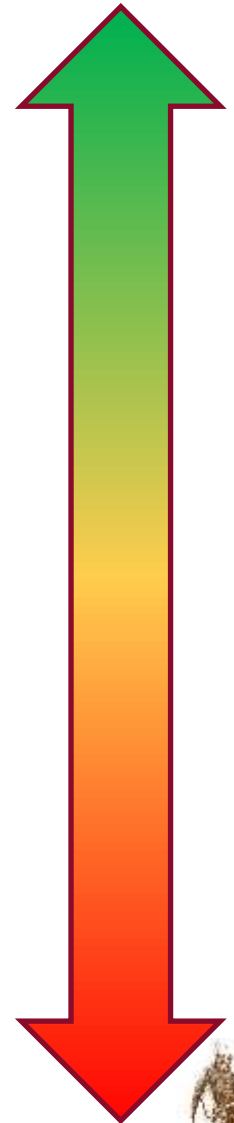
Associate Members (13):

AFBF
ASI
NCBA
NPB
CME Group
Canadian Consortium
Noble Research Institute
CoBank
TCFA
TCU
NWFCS
DLR
Agri-Food and Agriculture Canada



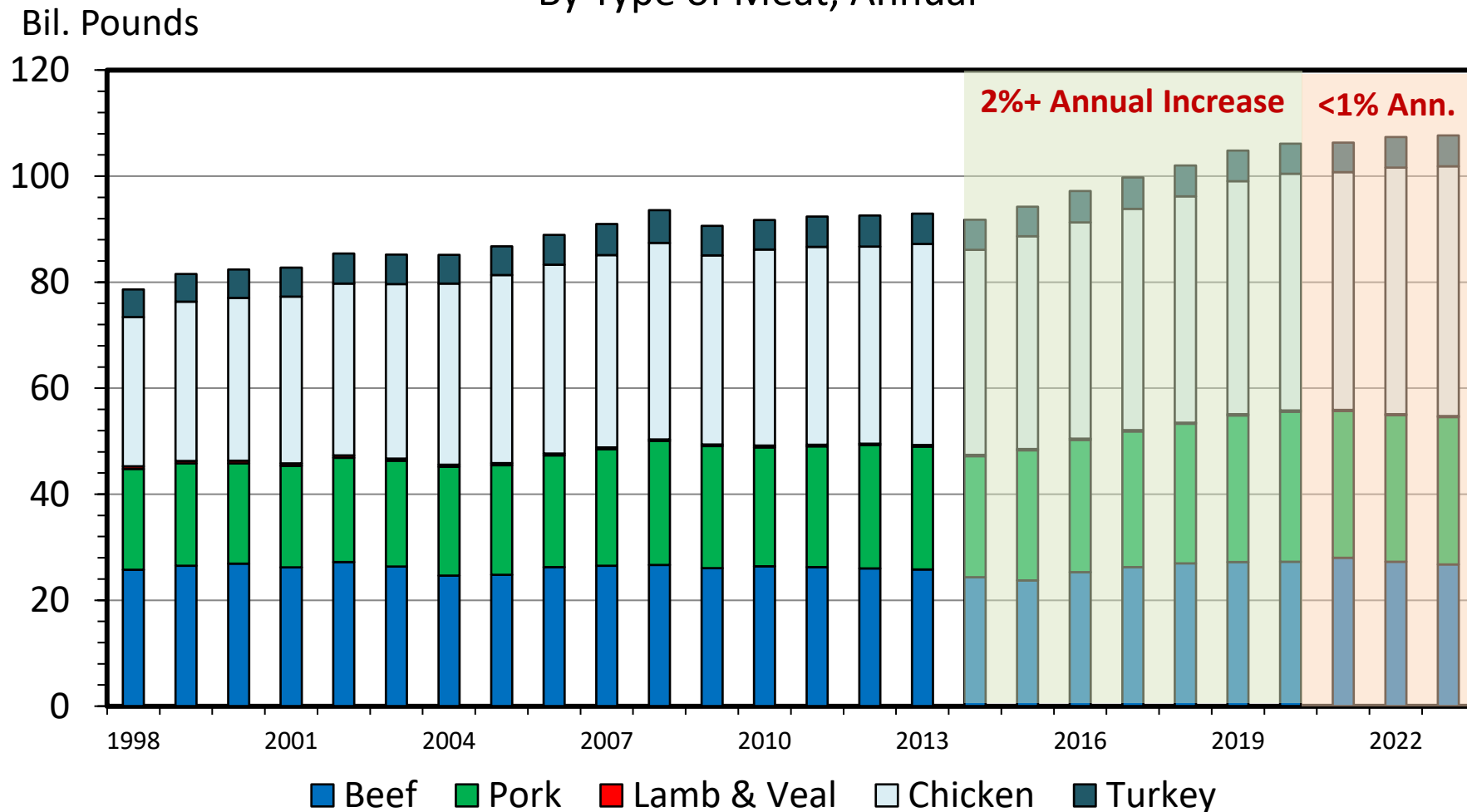
What Do We Know?

- China to remain as a top global agricultural products importer
- Record Meat Prices
- U.S. Animal Protein Supplies
- Feed costs: Corn, Soybeans, Hay
- Drought in Western U.S.
- Inflation: UP 7% in December (40 Year High)
 - Meat: UP 15%
- Fed Monetary Policy
- COVID-19, Omicron, more variants, ROW-response/pandemic/GDP



COMMERCIAL MEAT & POULTRY PRODUCTION

By Type of Meat, Annual

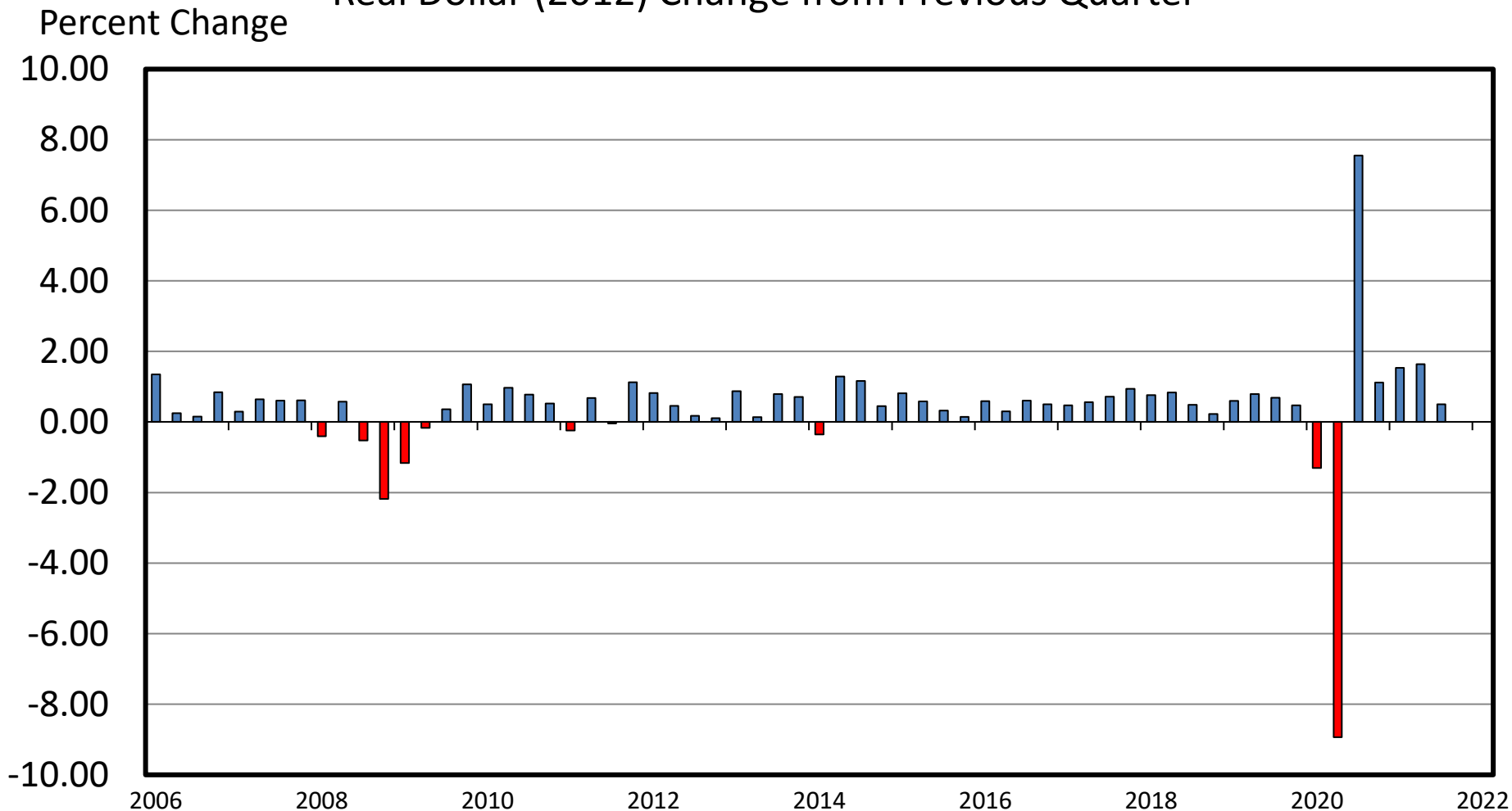


Data Source: USDA-NASS, Compiled & Forecasts by LMIC

M-S-03A
01/10/22

QTRLY GROSS DOMESTIC PRODUCT (GDP)

Real Dollar (2012) Change from Previous Quarter



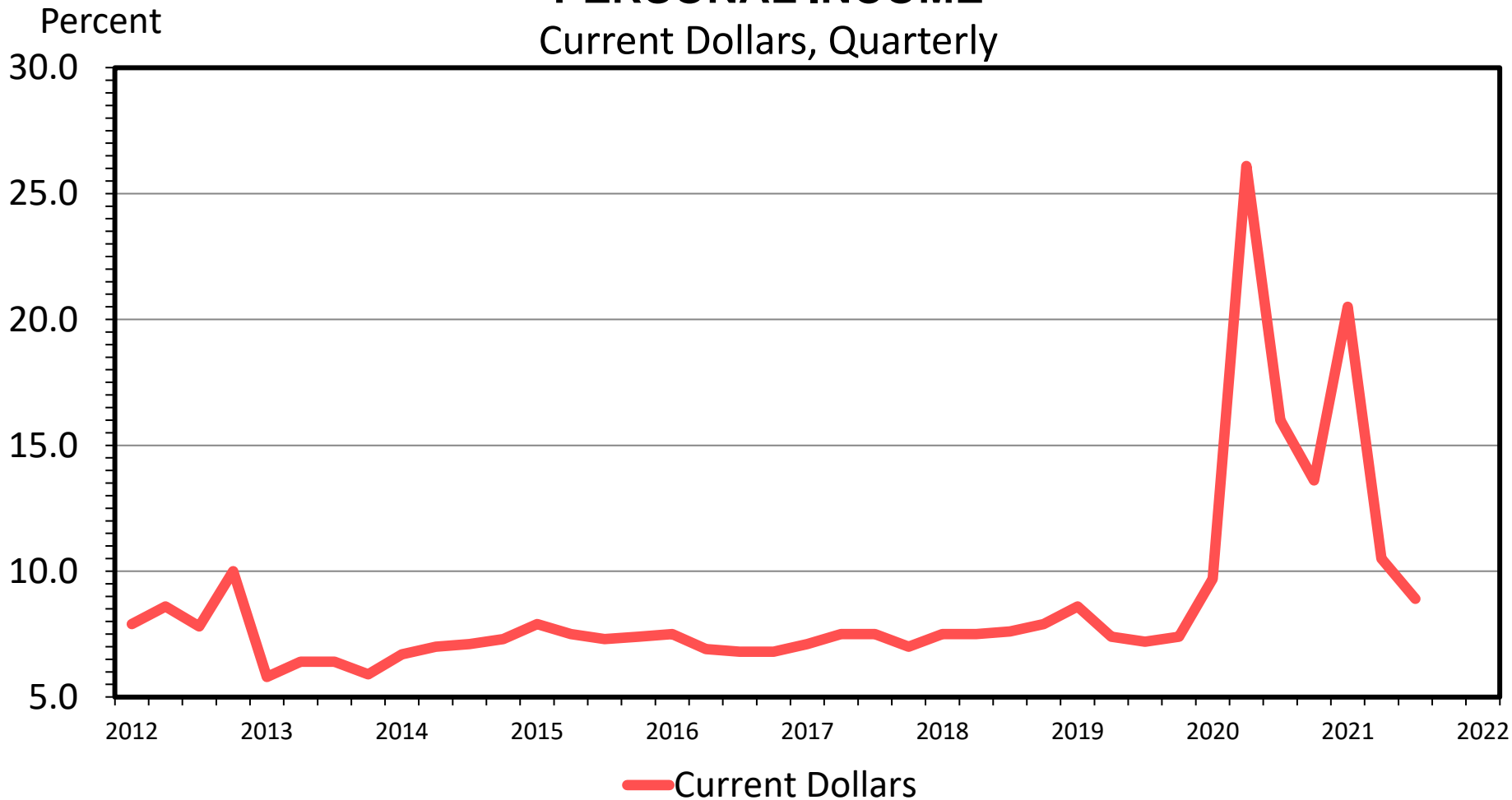
Data Source: Bureau of Economic Analysis, Compiled & Analysis by LMIC

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11/09/21

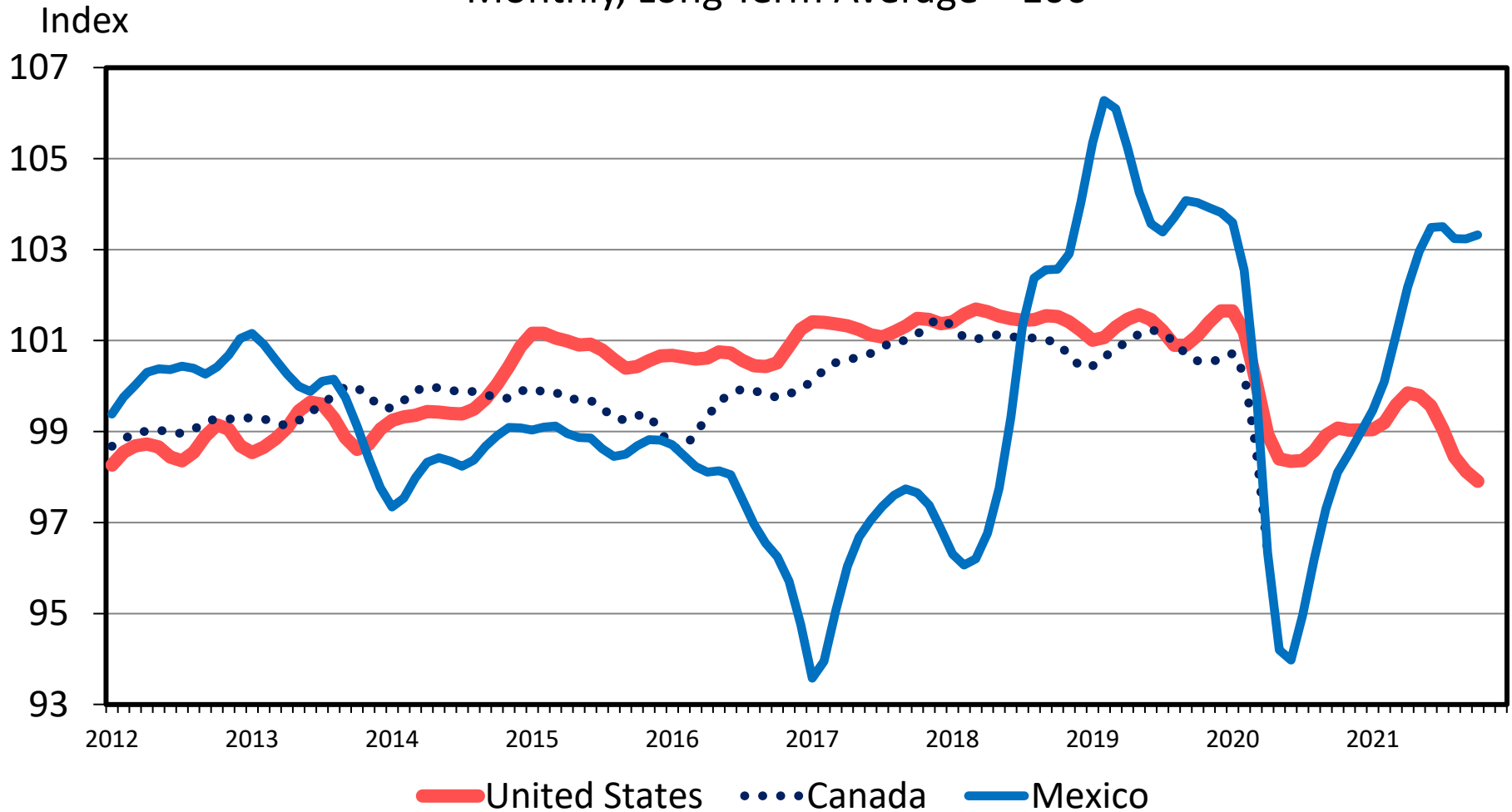
PERSONAL SAVINGS AS A PERCENT OF DISPOSABLE PERSONAL INCOME

Current Dollars, Quarterly



NORTH AMERICA CONSUMER CONFIDENCE

Monthly, Long Term Average = 100



Data Source: OECD

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12/14/21

Inflation – Restaurants, Retail, At-Home

- Dining out
- Convenience
- Cost
- Demand strength?
 - Have tastes and preferences fundamentally changed?
 - Consumer Acceptance





Forage and Crops

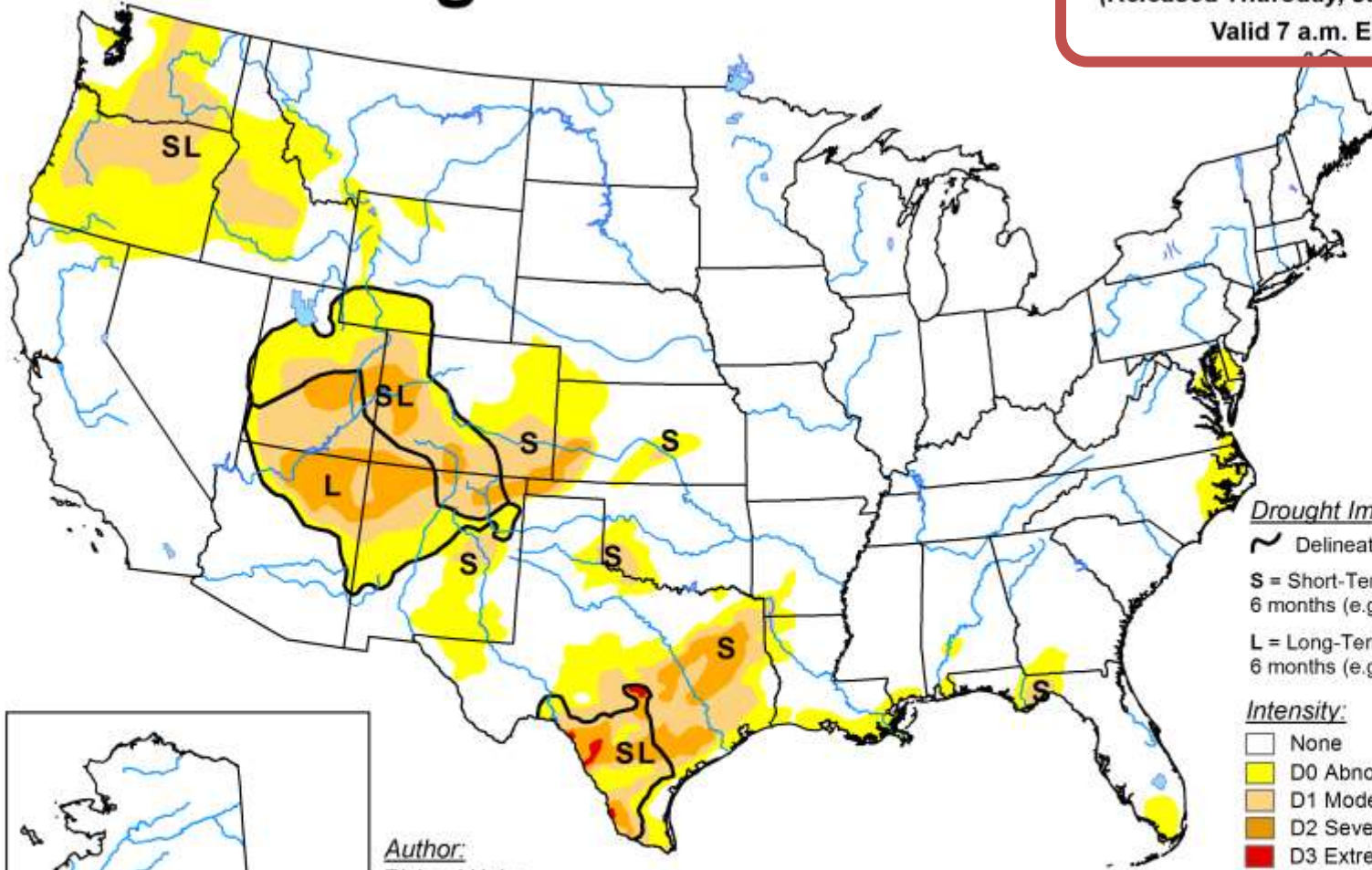


U.S. Drought Monitor

January 21, 2020

(Released Thursday, Jan. 23, 2020)

Valid 7 a.m. EST

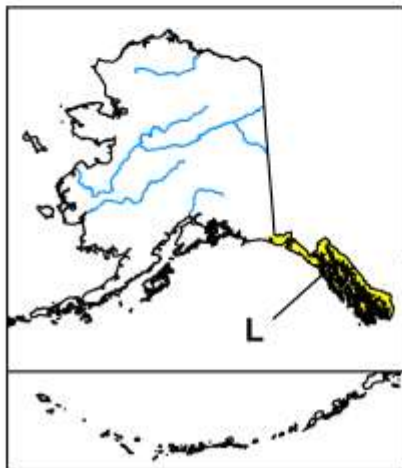


Drought Impact Types:

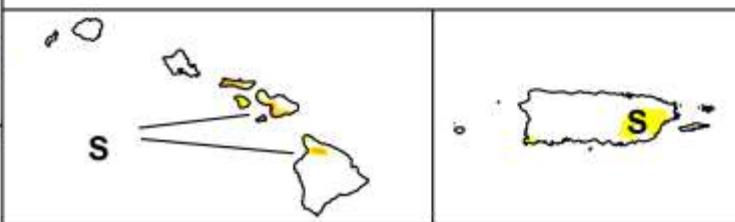
- ~ Delineates dominant impacts
- S = Short-Term, typically less than 6 months (e.g. agriculture, grasslands)
- L = Long-Term, typically greater than 6 months (e.g. hydrology, ecology)

Intensity:

- None
- D0 Abnormally Dry
- D1 Moderate Drought
- D2 Severe Drought
- D3 Extreme Drought
- D4 Exceptional Drought



Author:
Richard Heim
NCEI/NOAA



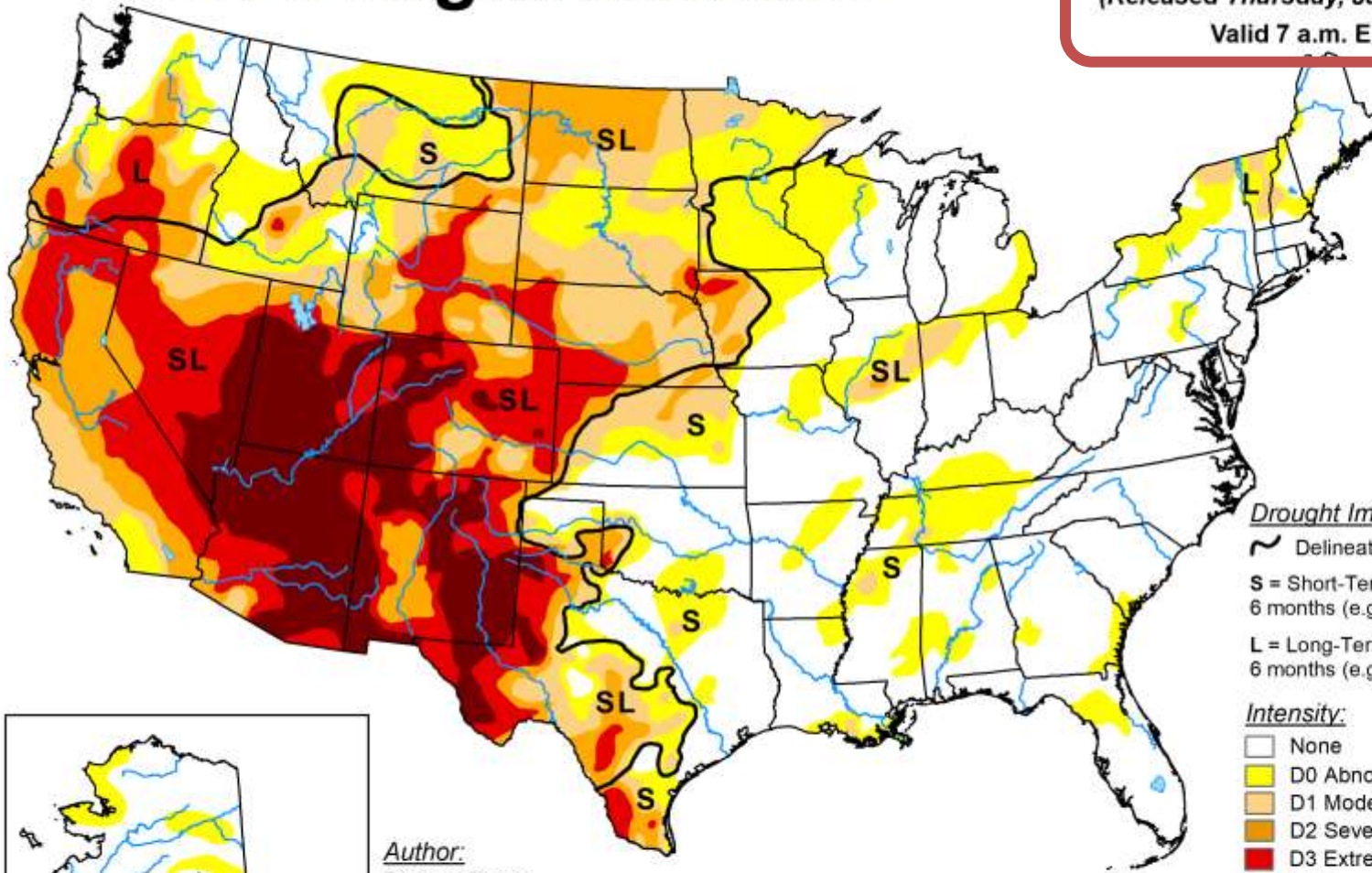
The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. For more information on the Drought Monitor, go to <https://droughtmonitor.unl.edu/About.aspx>




droughtmonitor.unl.edu

U.S. Drought Monitor







January 19, 2021
 (Released Thursday, Jan. 21, 2021)
 Valid 7 a.m. EST



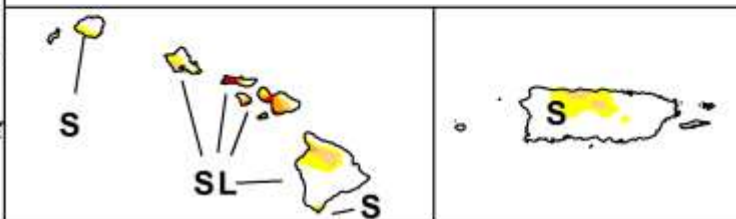
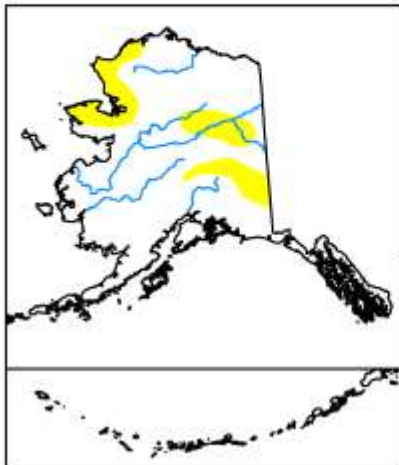
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Author:
 Richard Tinker
 CPC/NOAA/NWS/NCEP



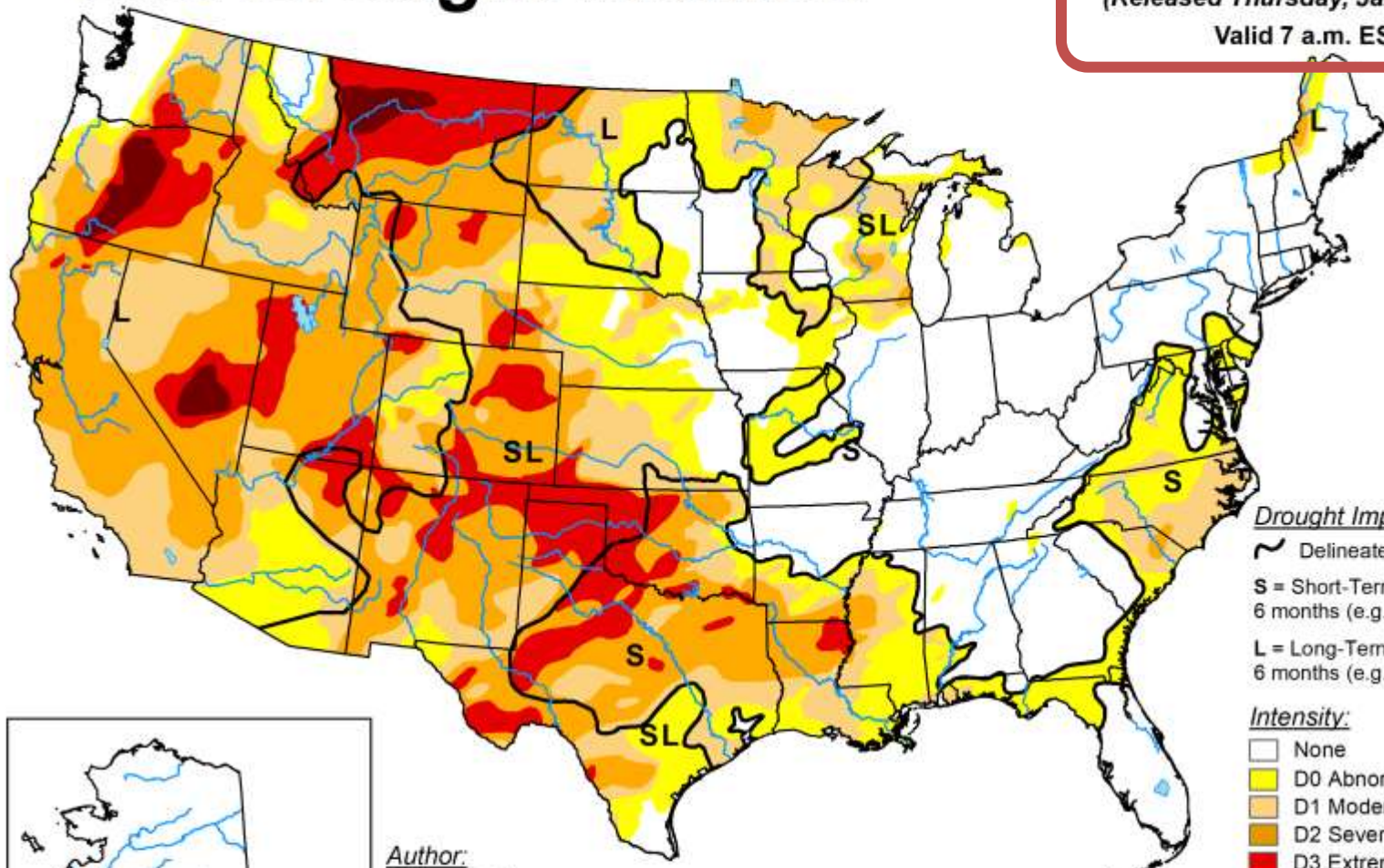
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U.S. Drought Monitor

January 11, 2022
(Released Thursday, Jan. 13, 2022)
Valid 7 a.m. EST



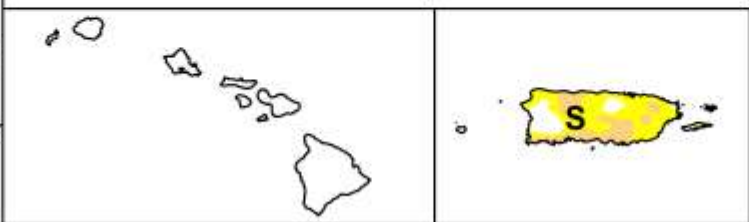
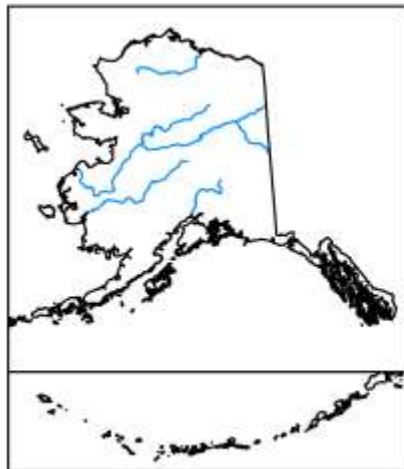
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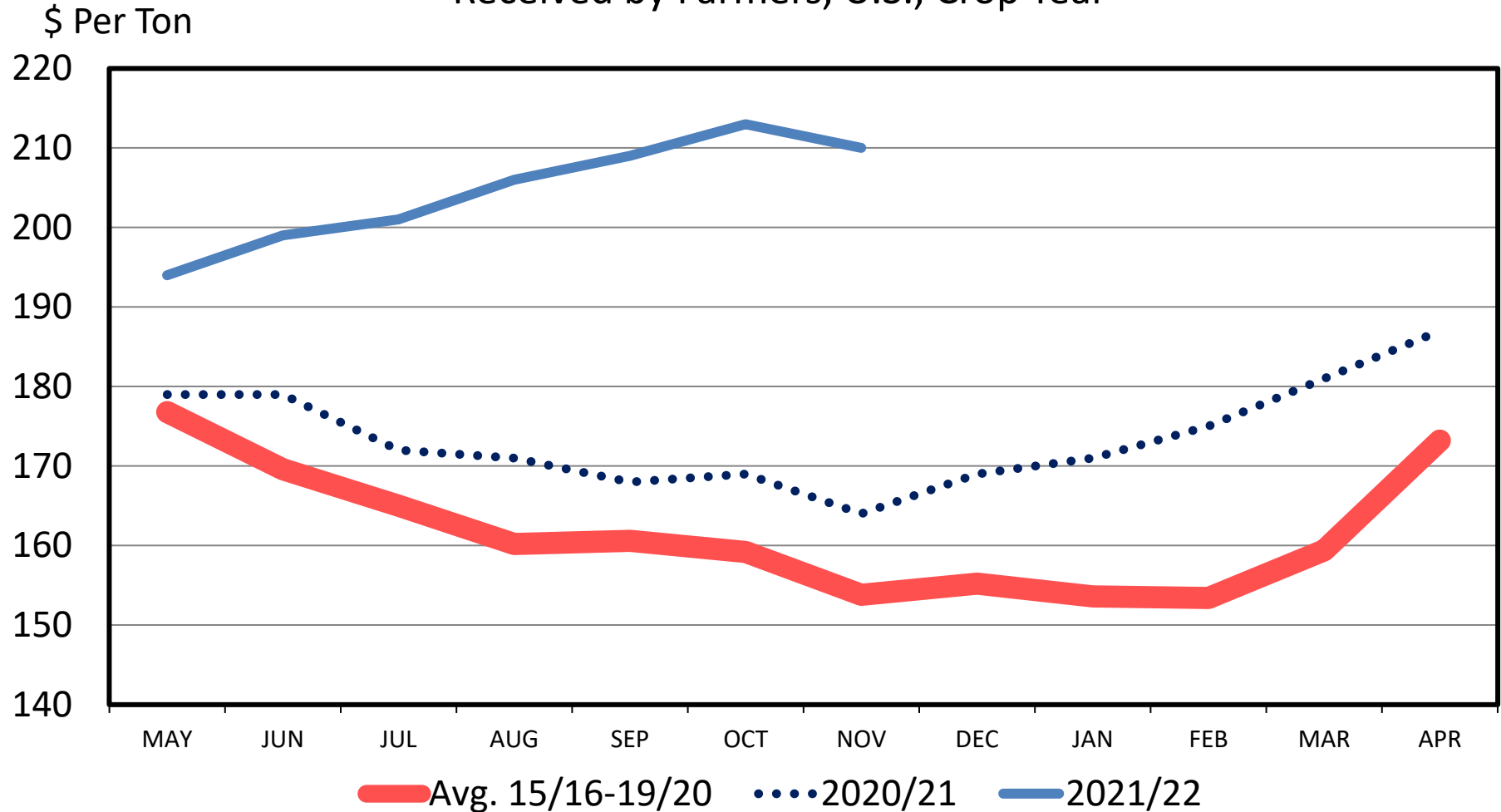
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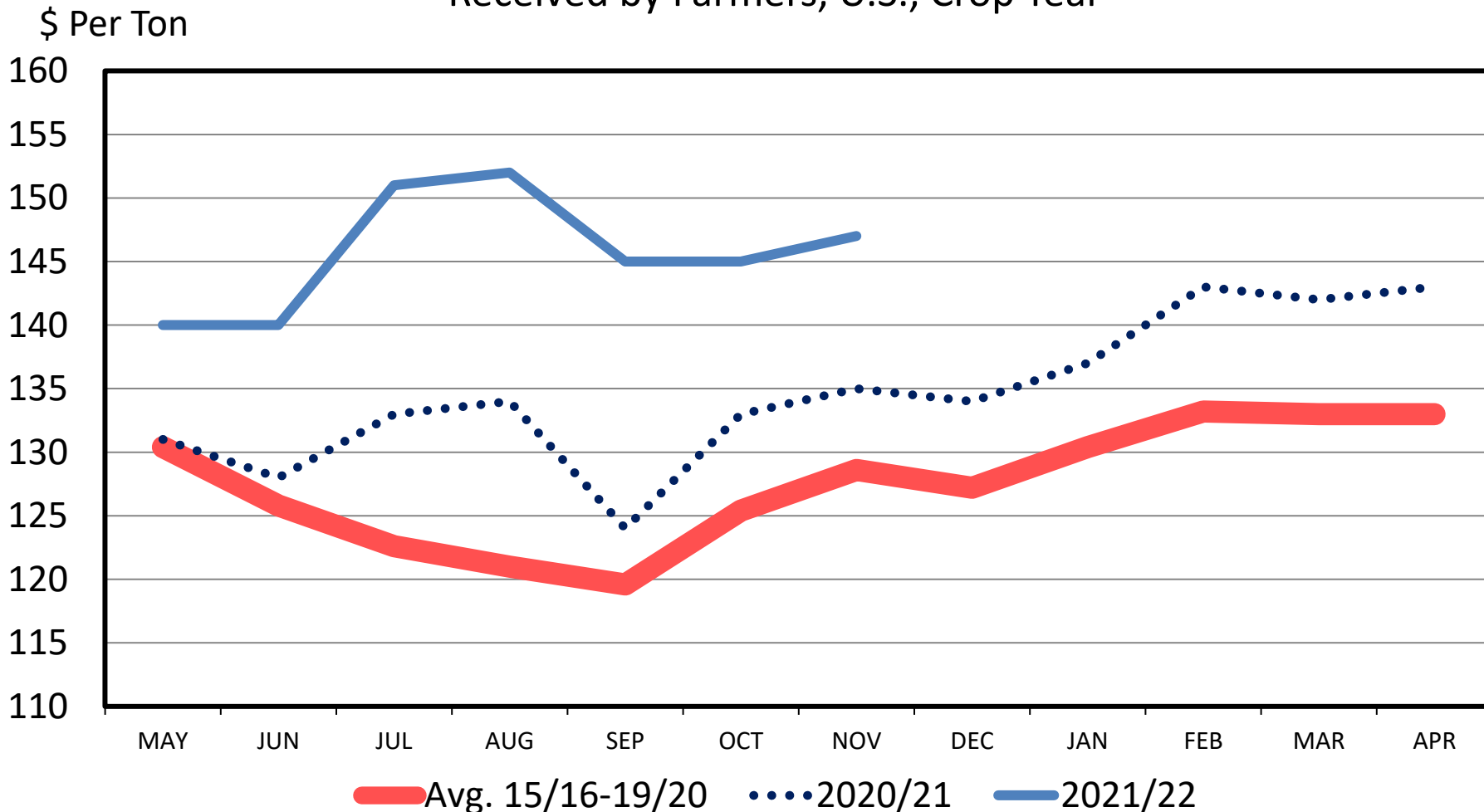
ALFALFA HAY – MONTHLY AVERAGE PRICE

Received by Farmers, U.S., Crop Year



OTHER HAY – MONTHLY AVERAGE PRICE

Received by Farmers, U.S., Crop Year



Data Source: USDA-NASS

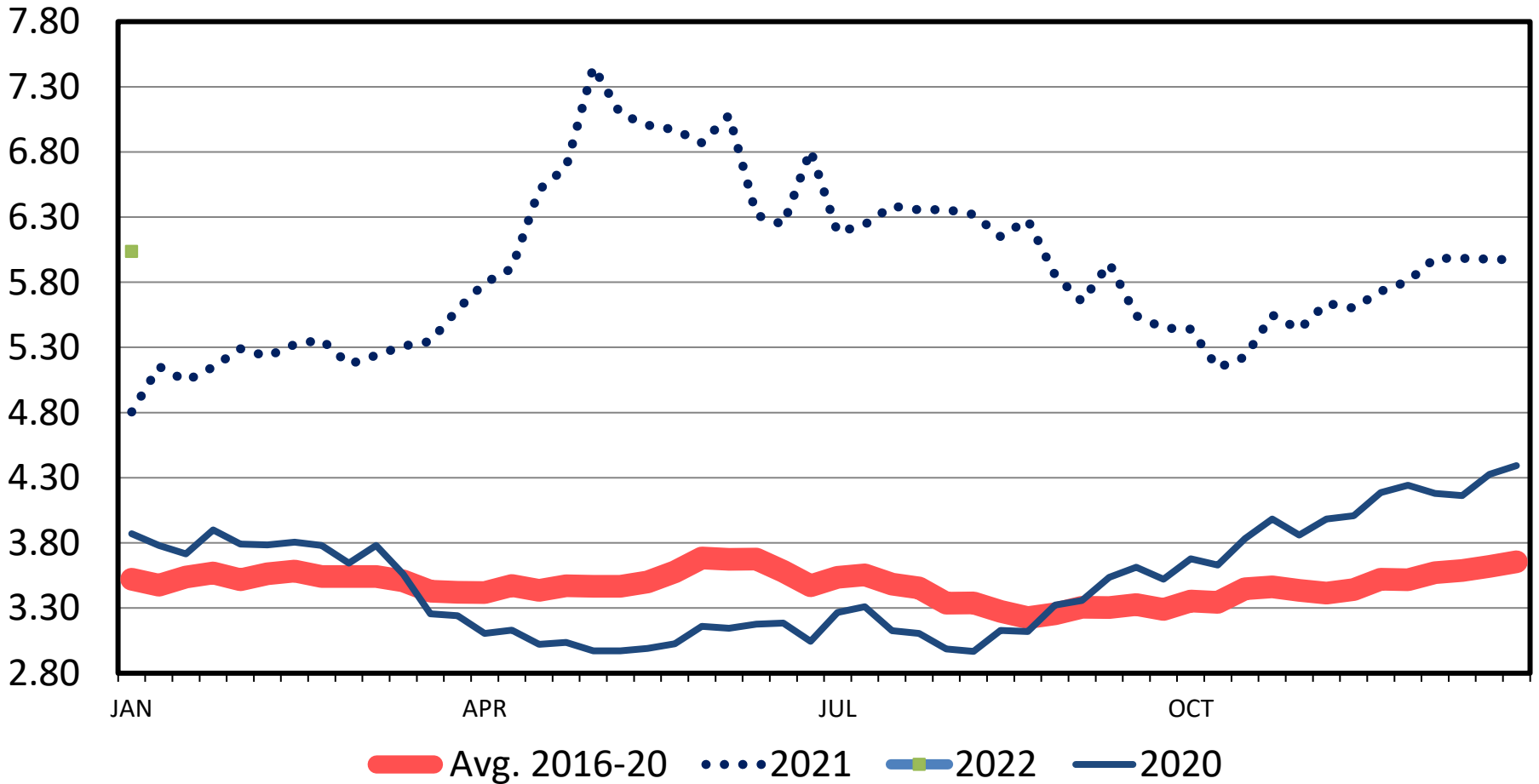
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G-P-13
 12/30/21

OMAHA CORN PRICES

Weekly

\$ Per Bu.





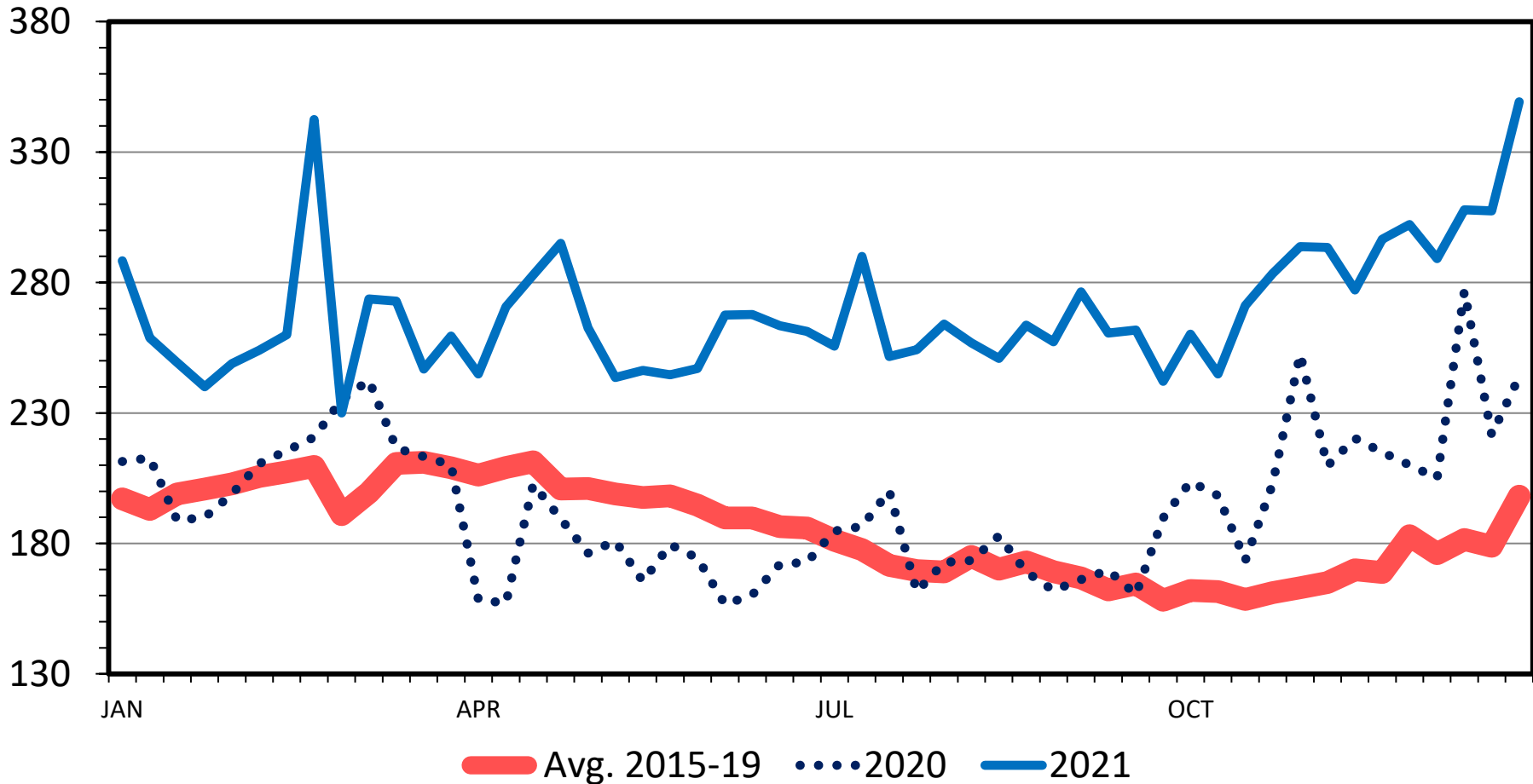
Lamb Markets & Price Outlook



FEEDER LAMB PRICES

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

\$ Per Cwt.



Data Source: USDA-AMS, Compiled by LMIC

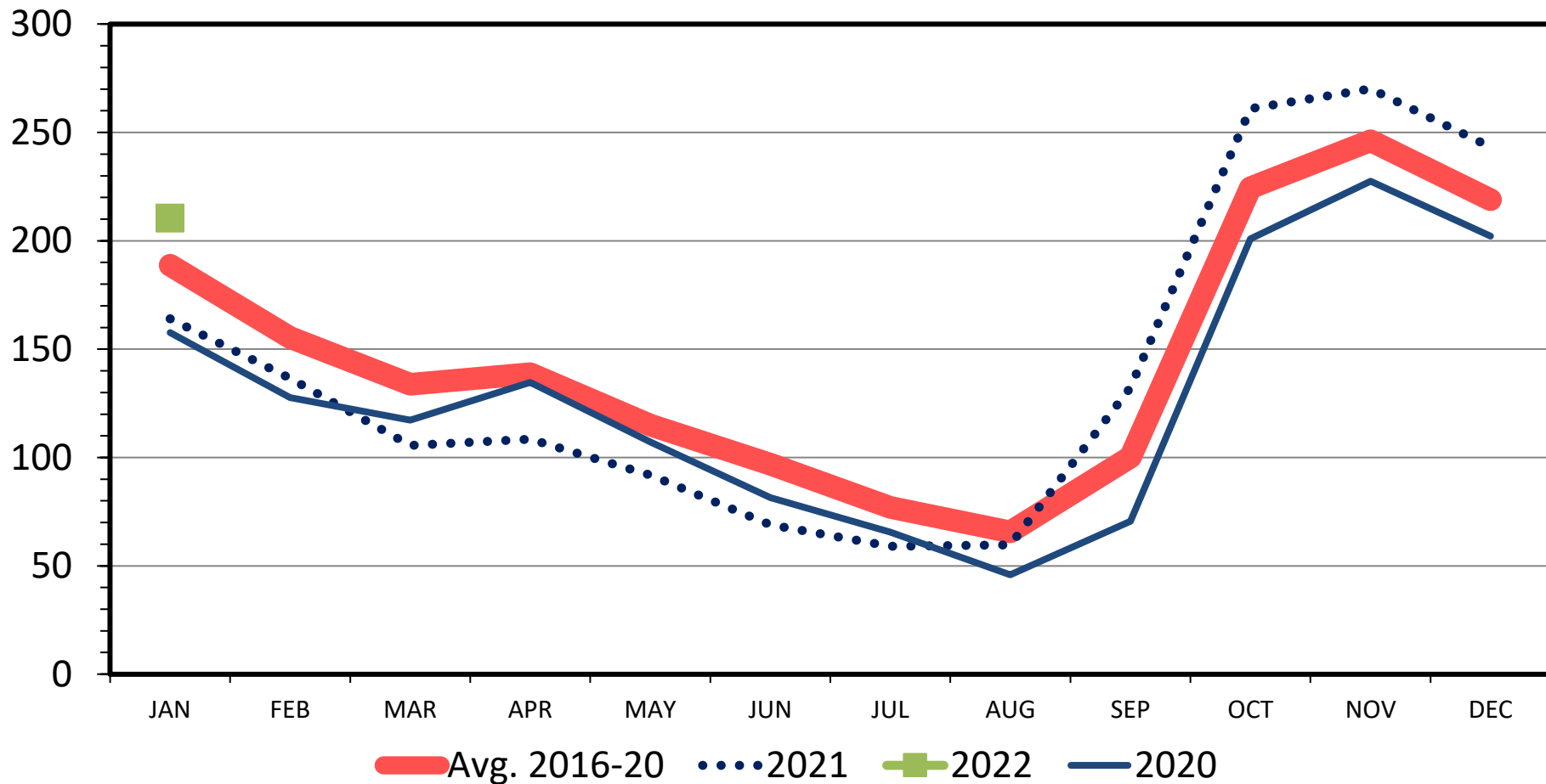
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S-P-06
01/07/22

COLORADO LAMBS ON FEED

Monthly

Thou. Head



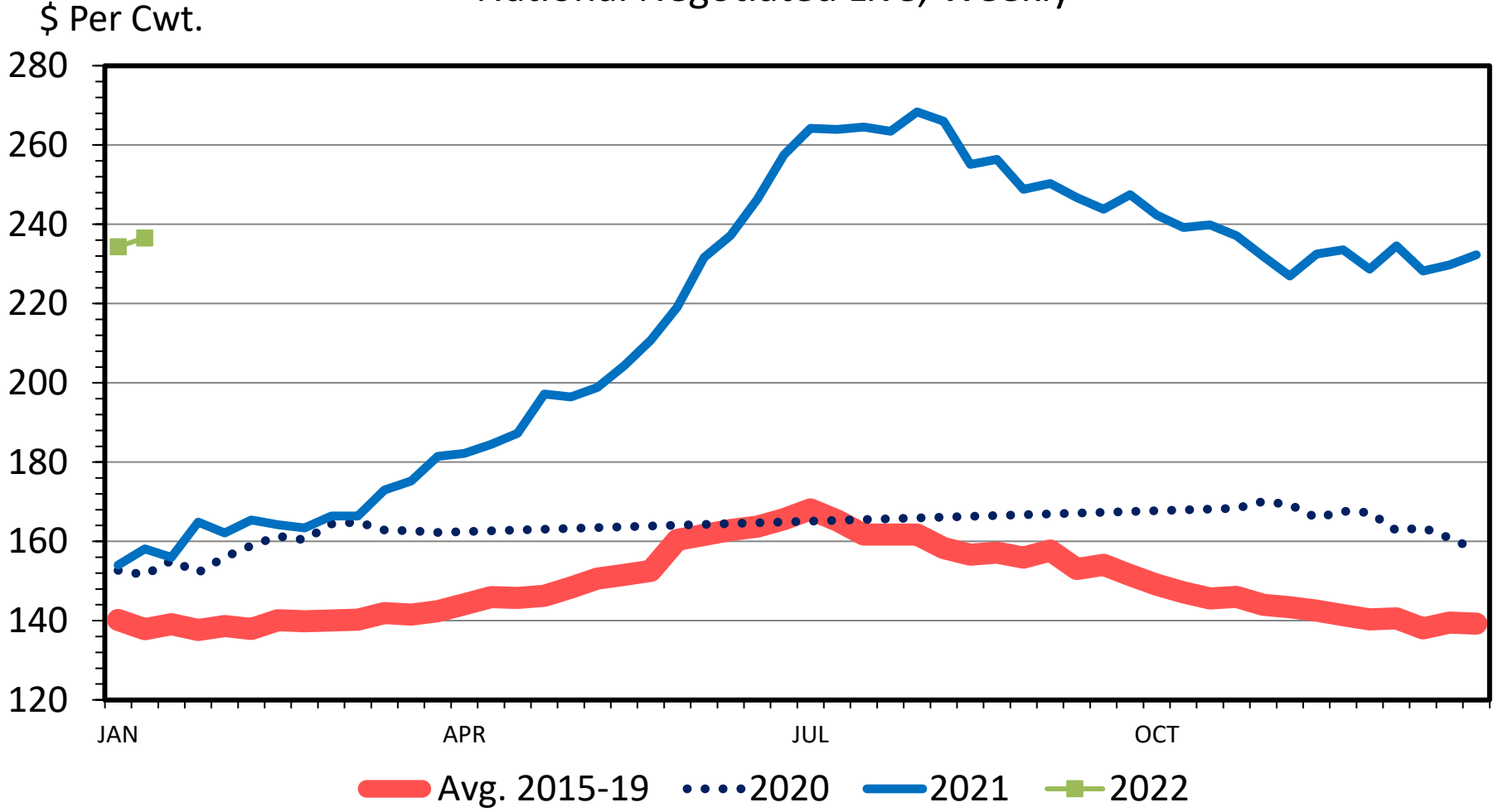
Data Source: USDA-AMS

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1/10/2022

SLAUGHTER LAMB PRICES

National Negotiated Live, Weekly



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

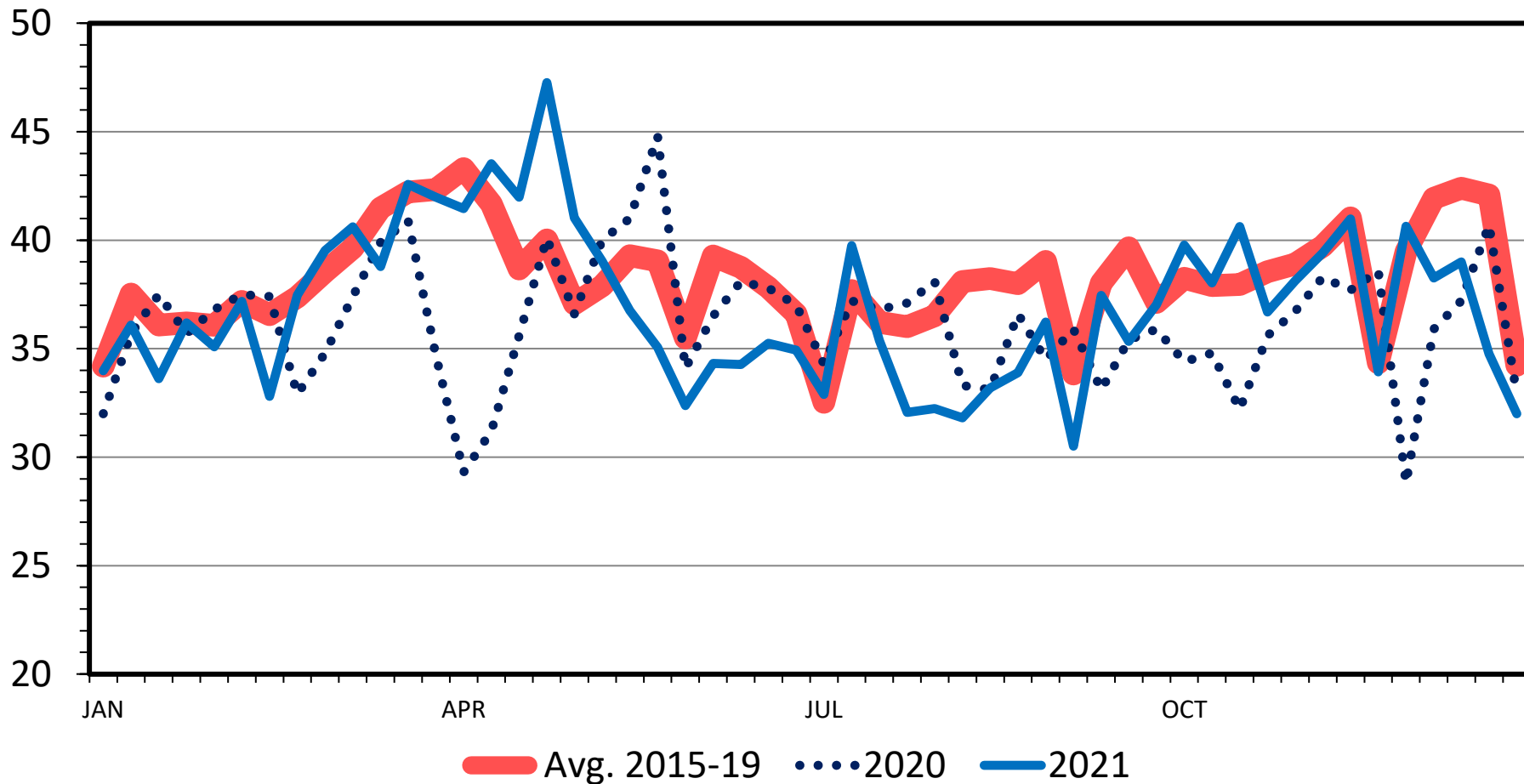
Inventory

- January 31 – USDA NASS Sheep and Goats Report
- All Sheep and Lambs Inventory expected to be down
- Breeding Sheep and Lamb Inventory?
 - Mature Sheep slaughter increased in 2021
 - Lamb Crop?
- Drought and available feed supplies

SHEEP & LAMB SLAUGHTER

Federally Inspected, Weekly

Thou. Head



Data Source: USDA-AMS & USDA-NASS

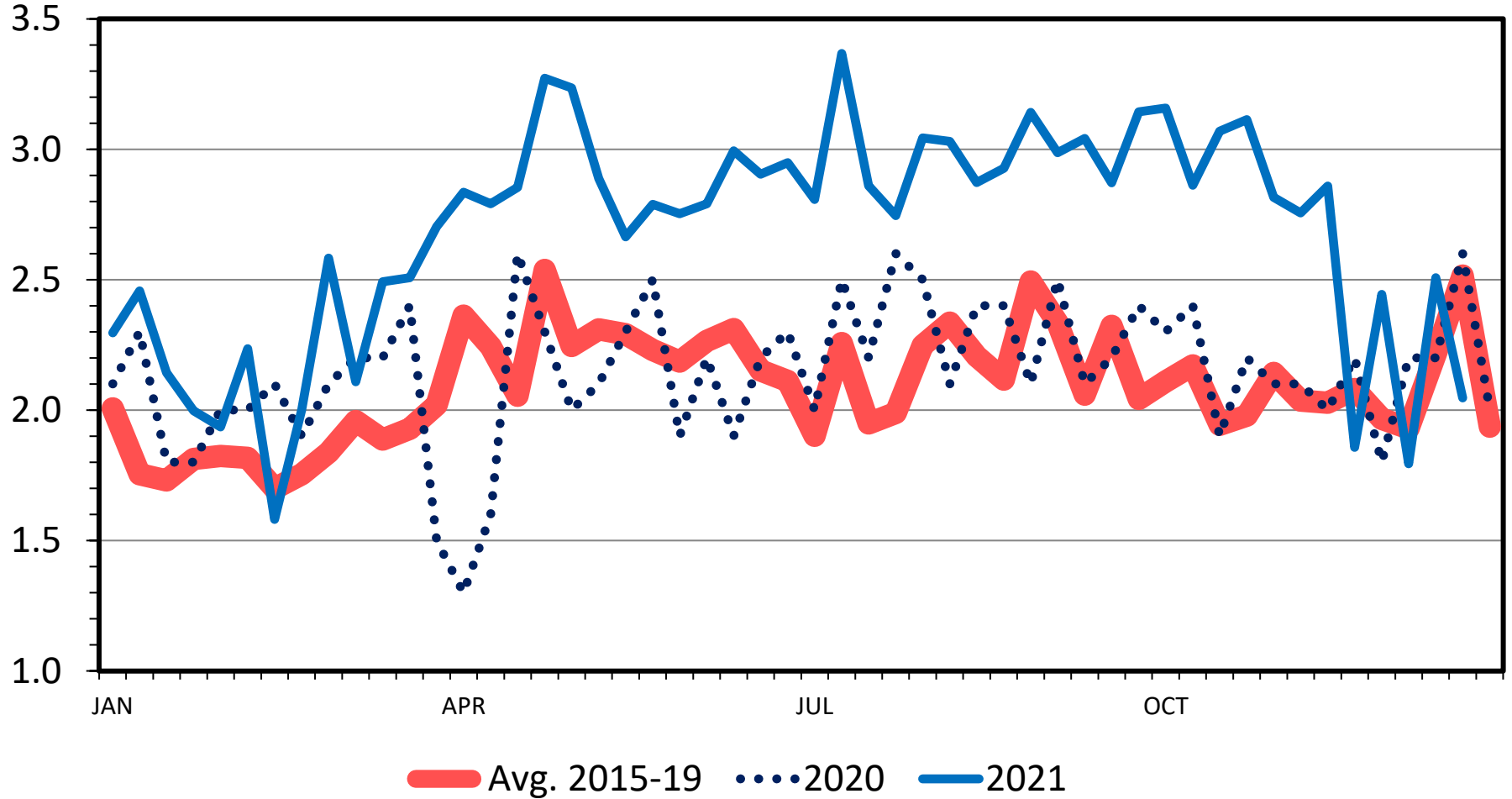
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01/07/22

MATURE SHEEP SLAUGHTER

Federally Inspected, Weekly

Thou. Head



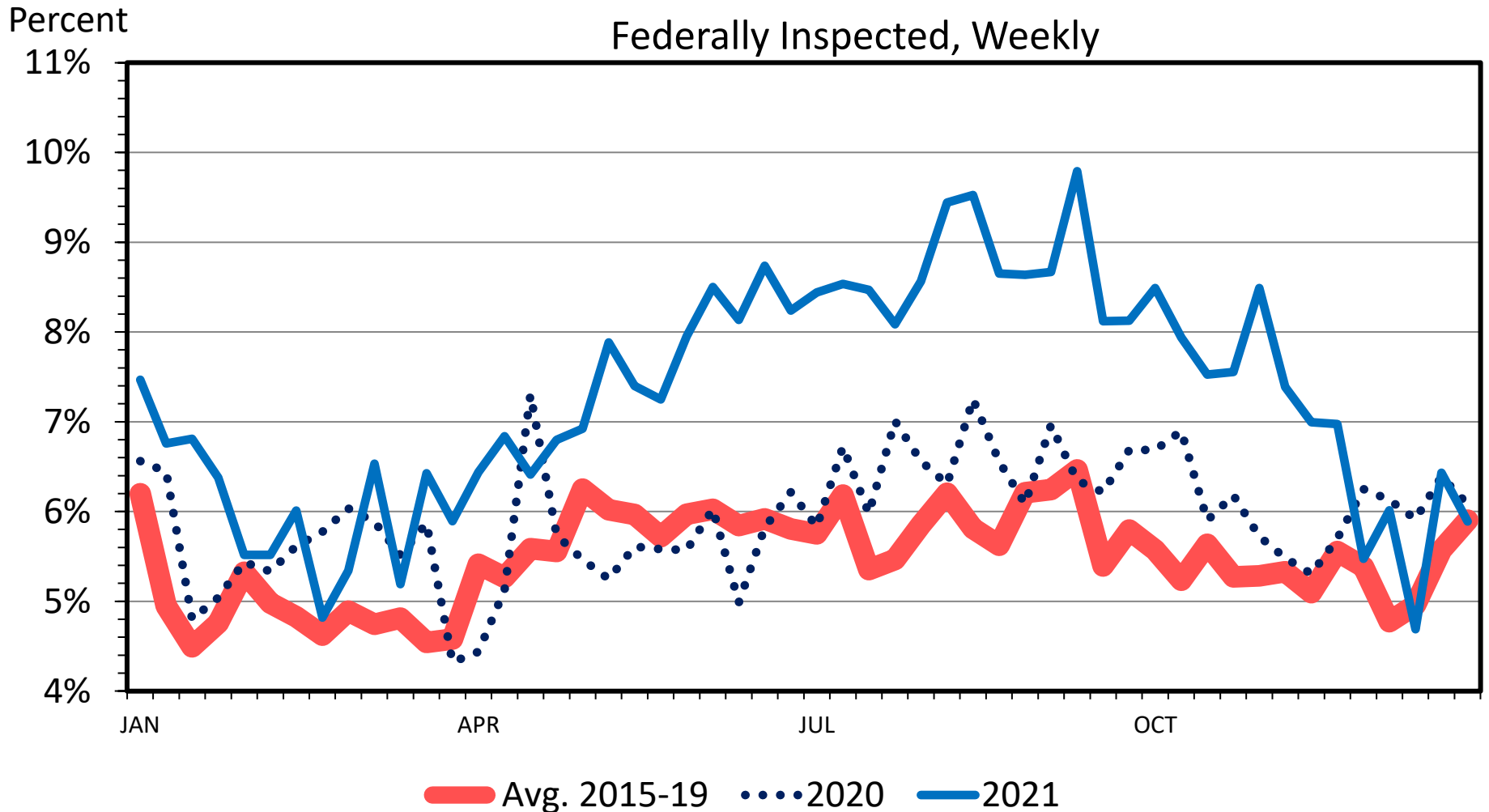
Data Source: USDA-AMS & USDA-NASS

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S-S-03
 01/07/22

MATURE SHEEP SLAUGHTER AS A PERCENT OF TOTAL SHEEP SLAUGHTER

Federally Inspected, Weekly



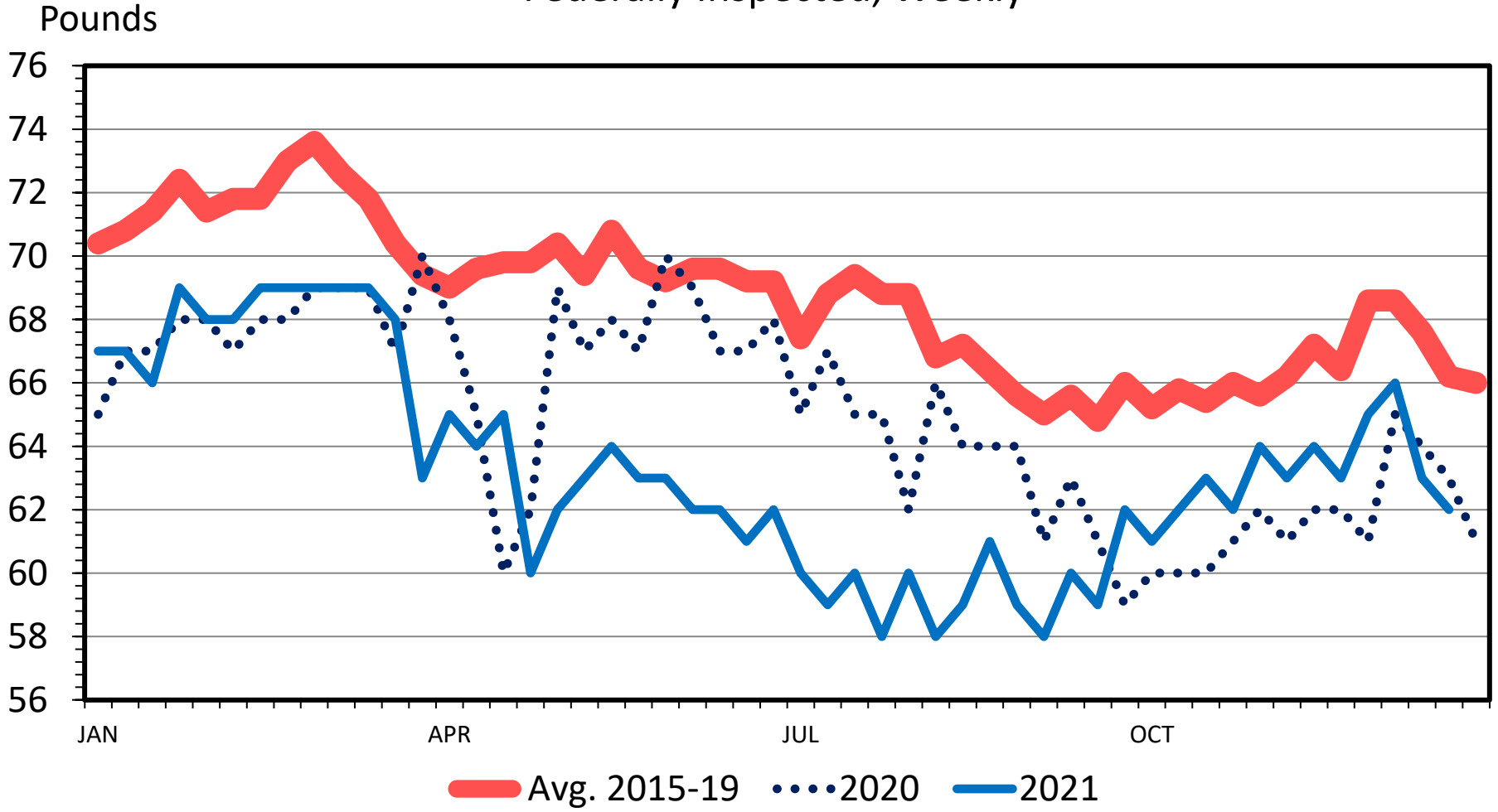
Data Source: USDA-AMS & USDA-NASS

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S-S-03
 01/07/22

LAMB AND YEARLING DRESSED WEIGHT

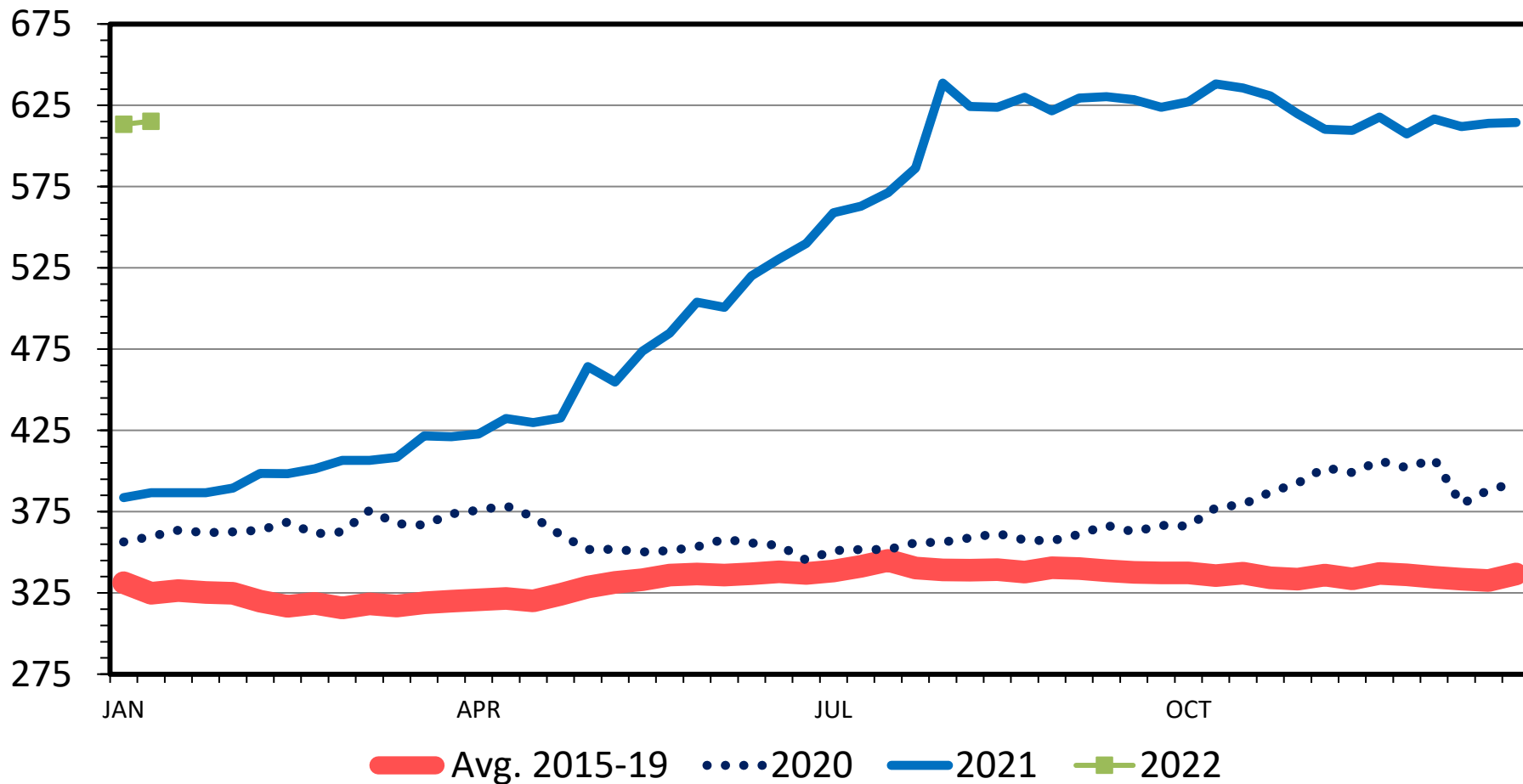
Federally Inspected, Weekly



NATIONAL LAMB CUTOUT VALUE

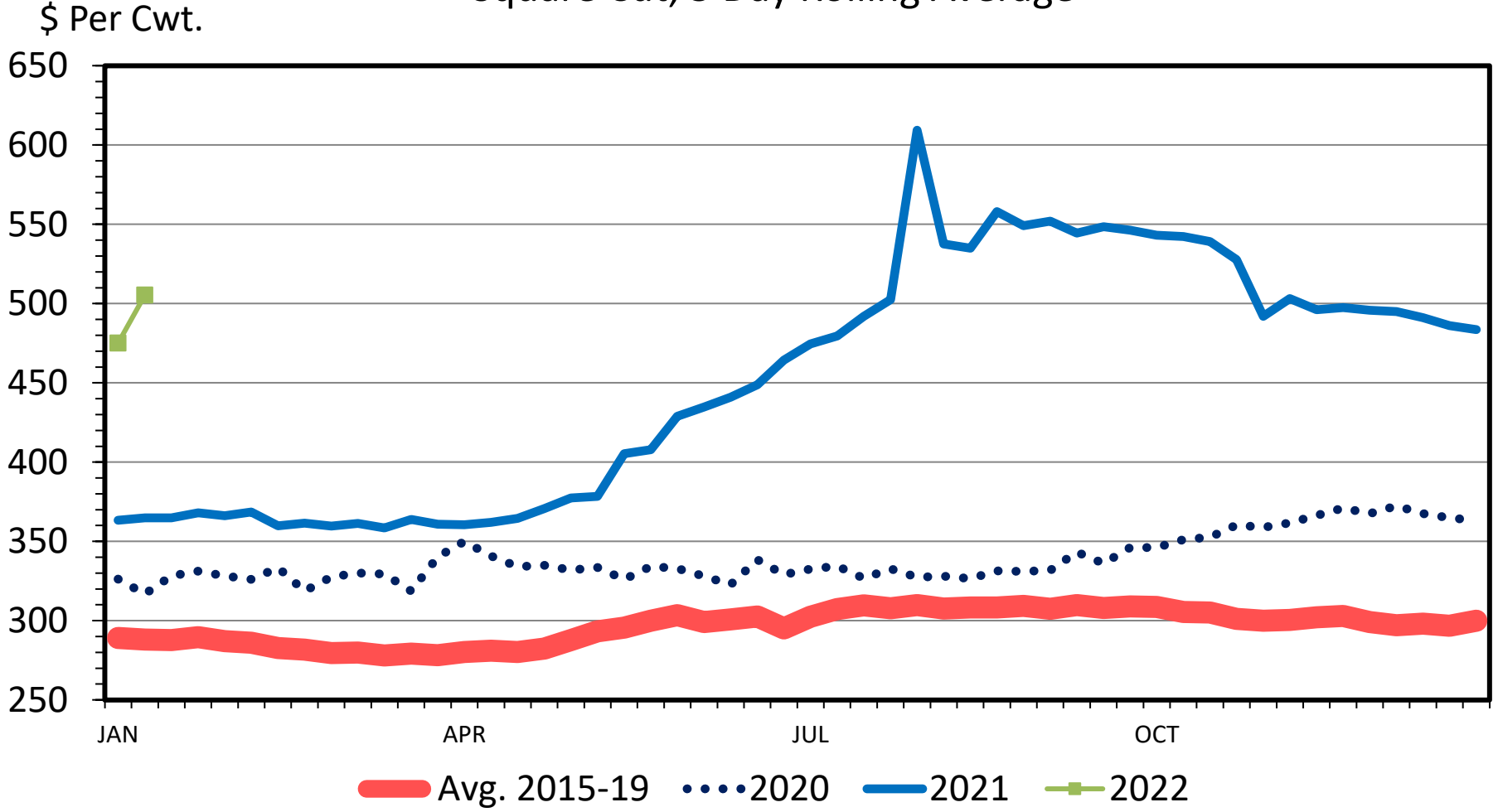
Gross Carcass FOB, 5 Day Rolling Avg

\$ Per Cwt.



BOXED LAMB SHOULDER PRICES

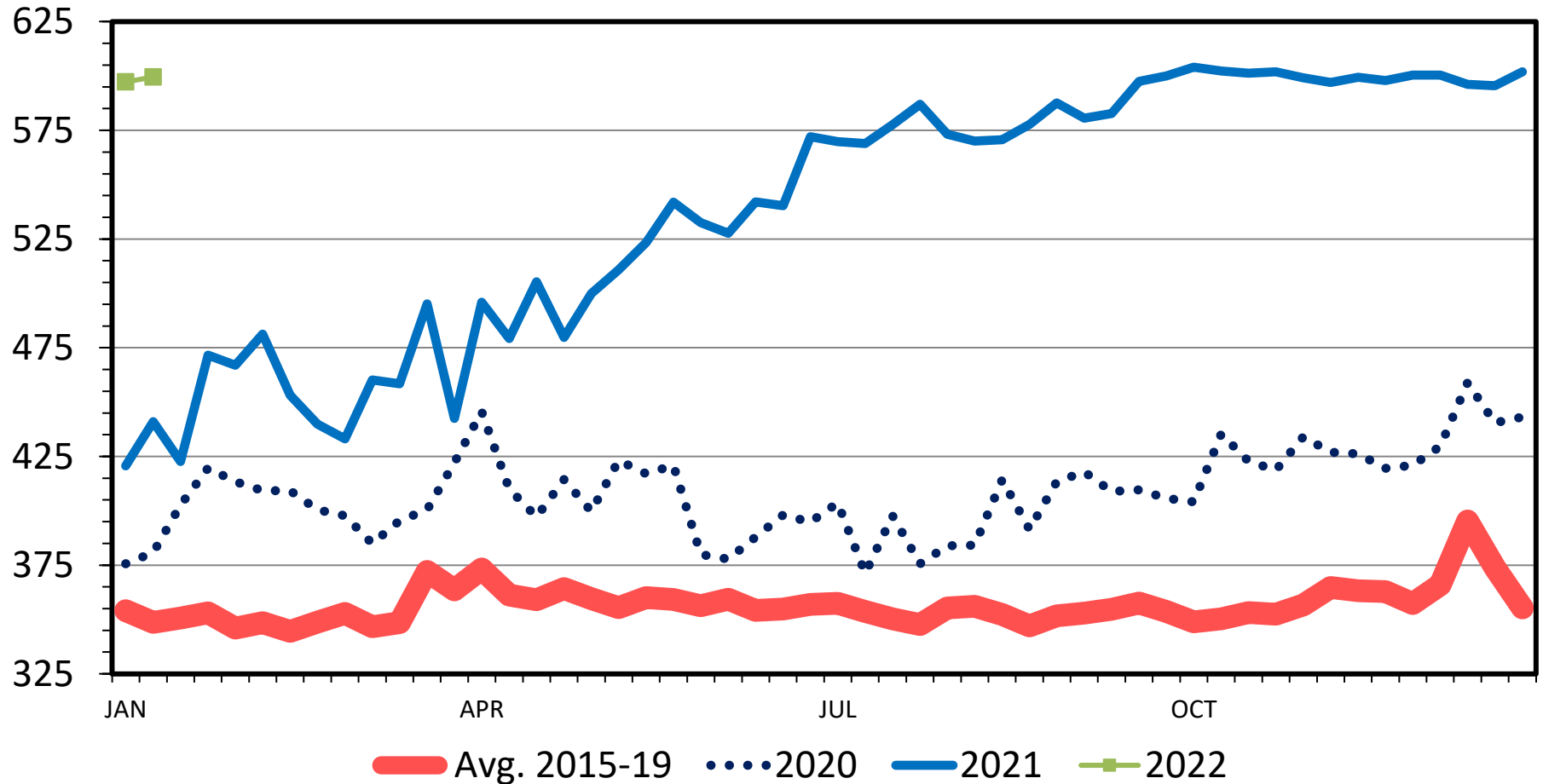
Square Cut, 5 Day Rolling Average



BOXED LAMB SINGLE LEG PRICES

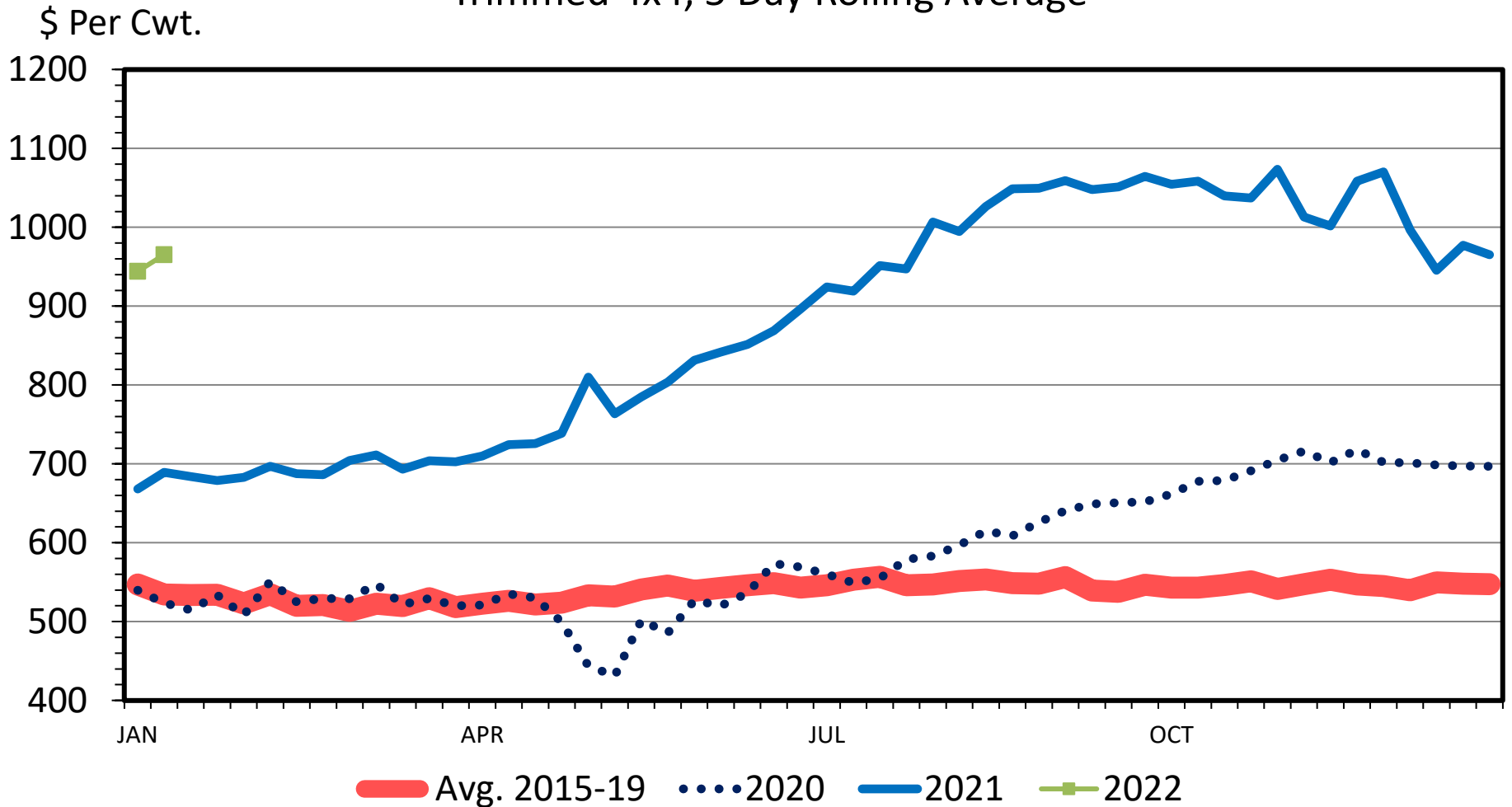
Trotter Off, 5 Day Rolling Average

\$ Per Cwt.



BOXED LAMB LOIN PRICES

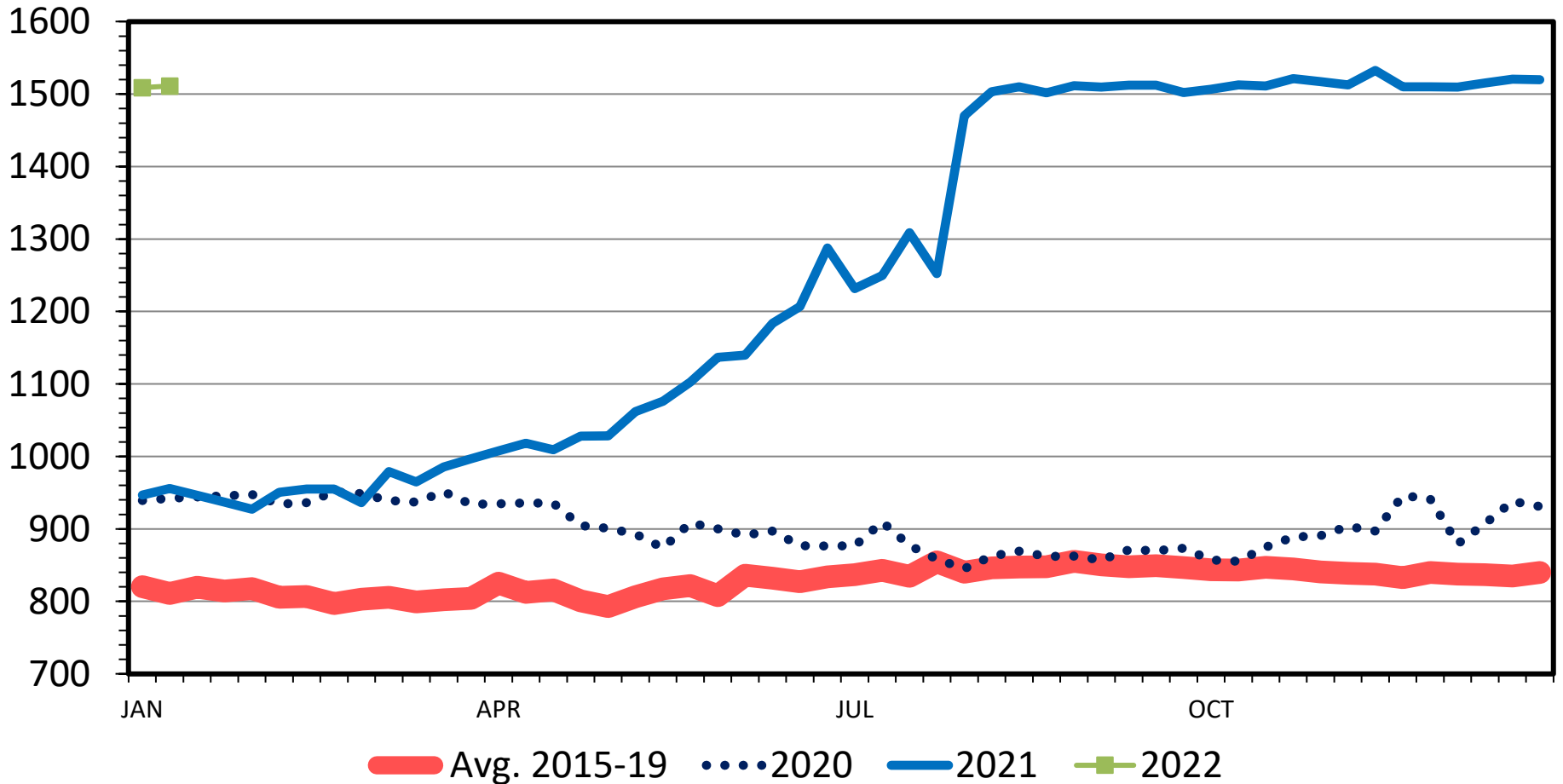
Trimmed 4x4, 5 Day Rolling Average



BOXED LAMB RACK PRICES

Light, 5 Day Rolling Average

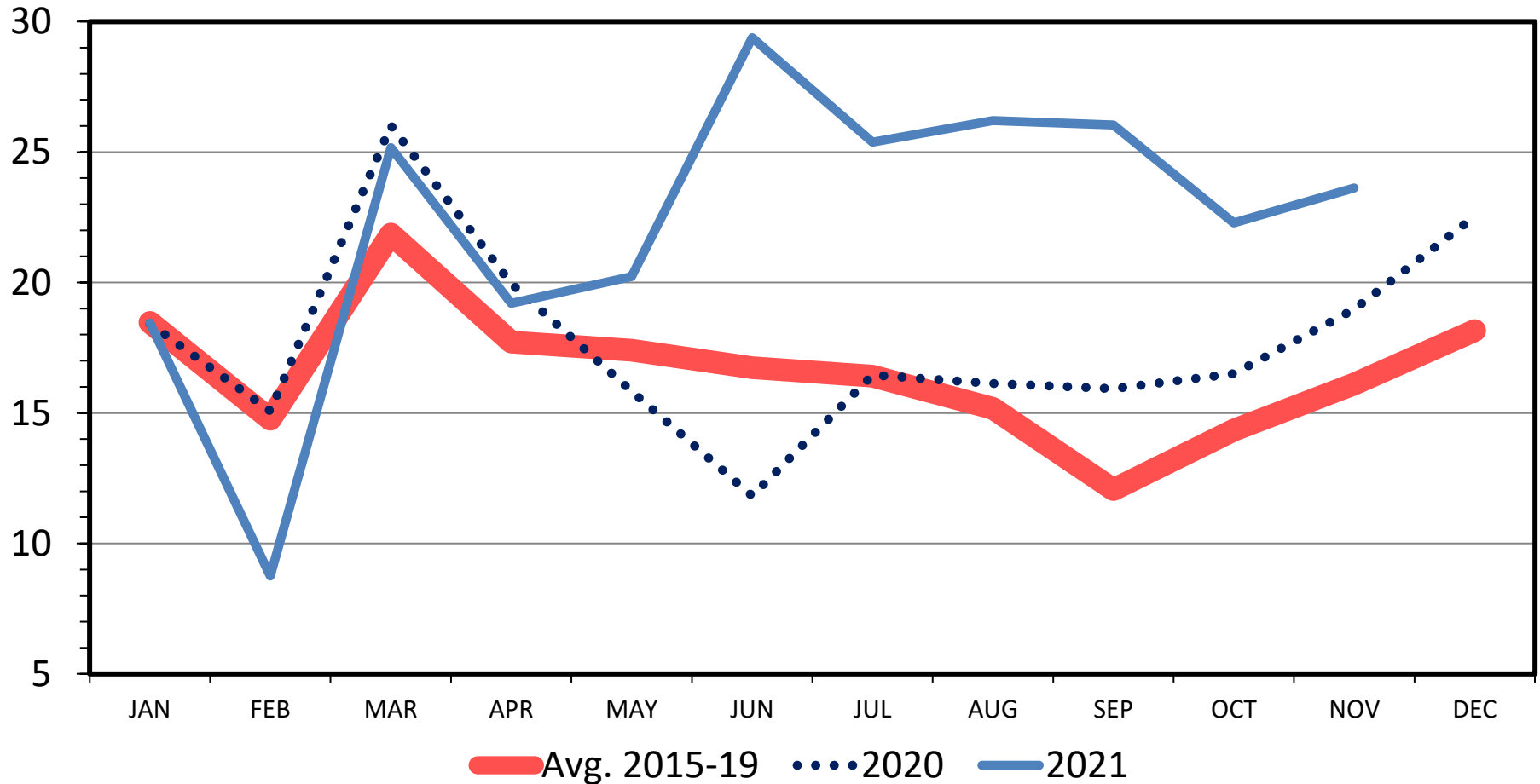
\$ Per Cwt.



US LAMB IMPORTS

Carcass Weight, Monthly

Mil. Pounds



Data Source: USDA-ERS & USDA-FAS

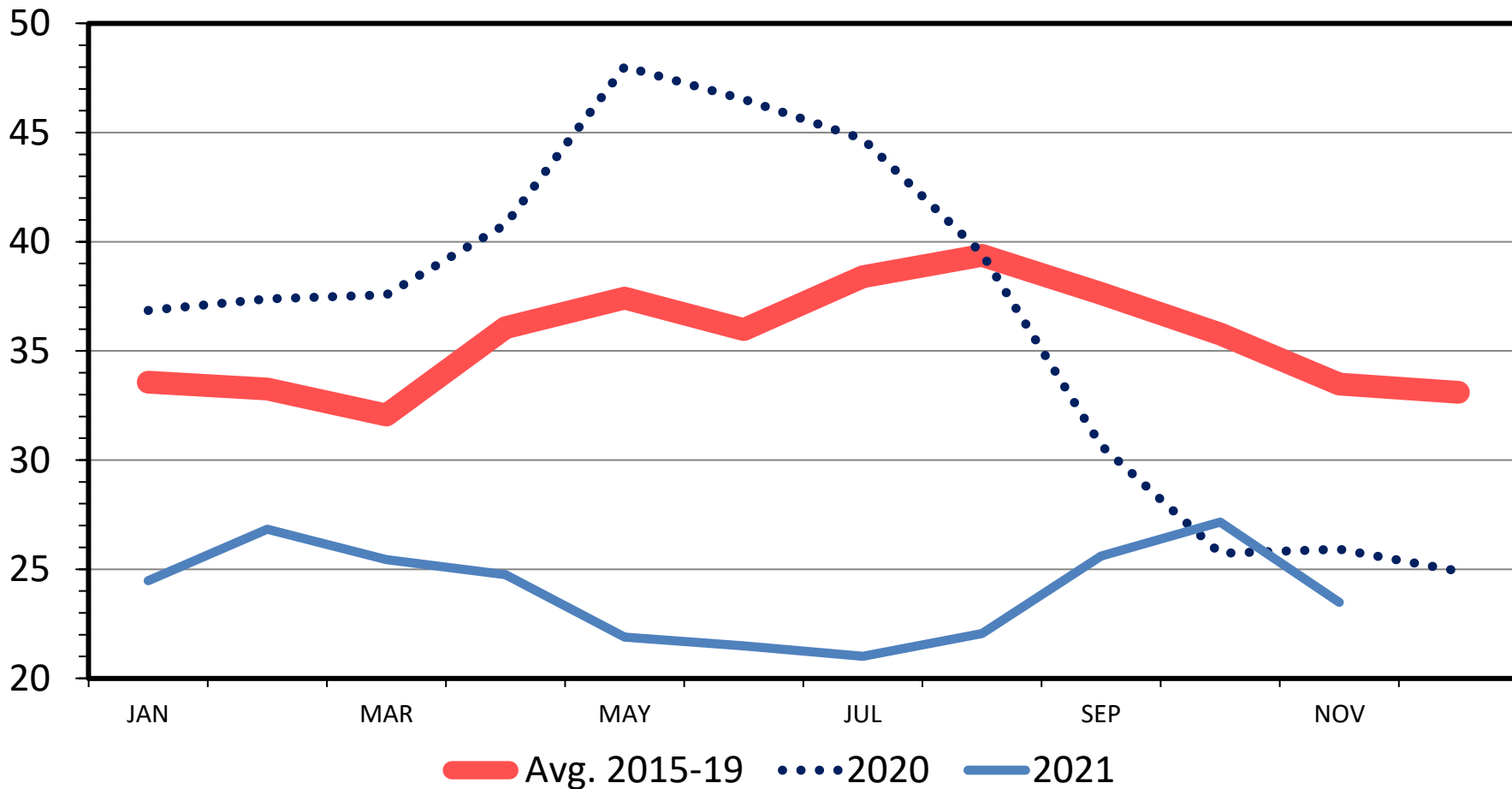
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01/07/22

LAMB AND MUTTON IN COLD STORAGE

Frozen, End of the Month

Mil. Pounds



Data Source: USDA-NASS

12/22/21

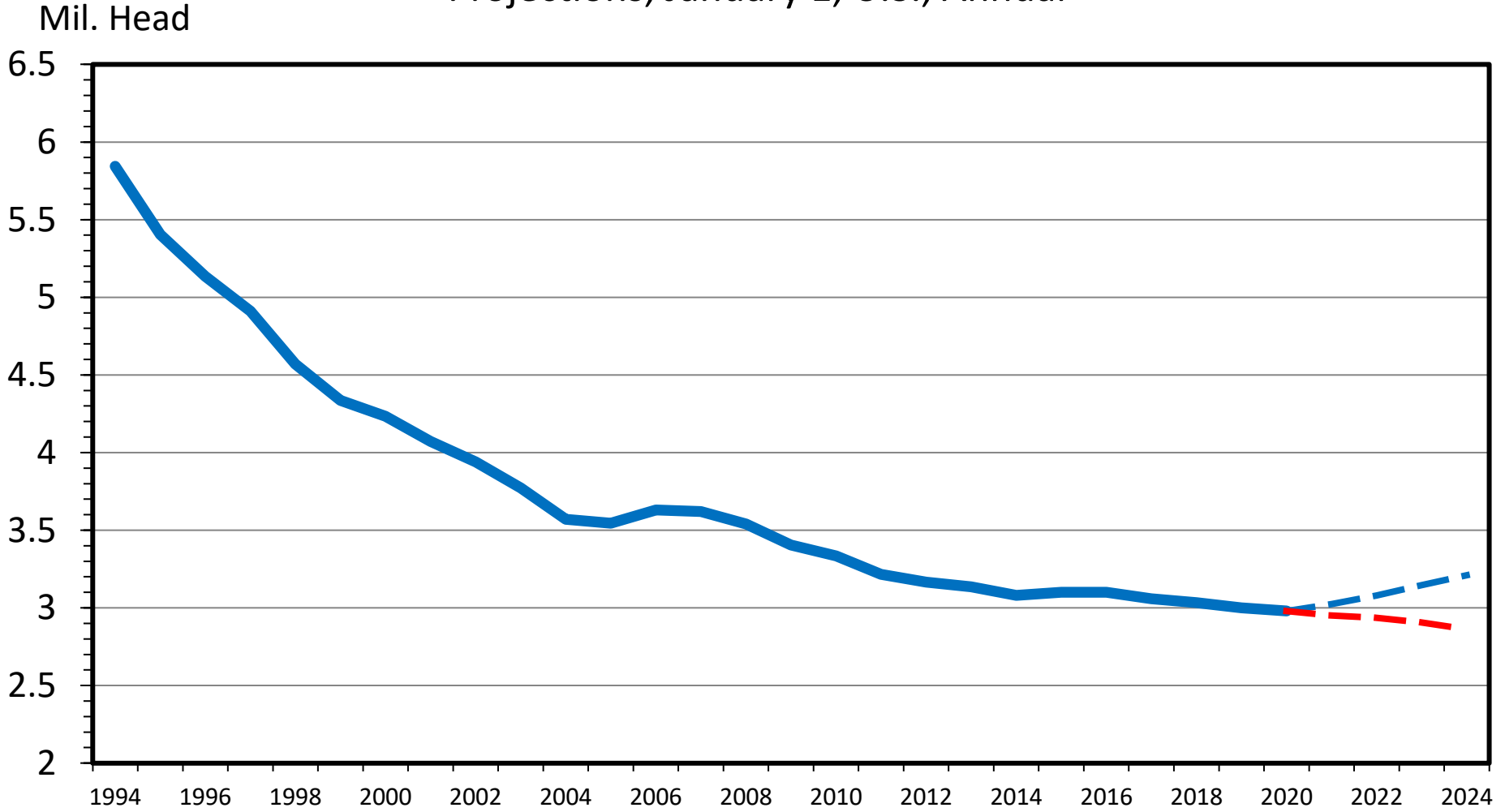
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Things to Consider

- Pandemic and consumer response.
- Historic prices but will they last?
 - Demand Impacts?
- Supplies expected to tighten.
- Drought, will it continue?
- Lamb Imports – Easter is April 17th









BREEDING EWES 1 YEAR & OLDER

Projections, January 1, U.S., Annual



Data Source: USDA-NASS

Sheep and Lamb Outlook

	2022	2023
Sheep and Lamb Slaughter <ul style="list-style-type: none"> 2022 & 2023 – up less than 1% 		
Lamb Production <ul style="list-style-type: none"> 2022 & 2023 – up less than 1% 		
Slaughter Lamb Prices (National Direct Live) <ul style="list-style-type: none"> 2022 – up 4% - 6% 2023 – down 1% - 5% 		
Feeder Lamb Prices (3-Mkt Avg. CO, SD, & TX) <ul style="list-style-type: none"> 2022 – up 1% - 3% 2023 – down 4% - 8% 		

THANK YOU!

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