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# Livestock and Poultry Outlook

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## OUTLOOK FOR LIVESTOCK AND POULTRY IN 2024

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Total red meat and poultry production in 2023 declined almost one percent to 106.9 billion pounds, the first decline in aggregate meat production since 2014. The decline was driven almost entirely by lower beef and veal production with increases in pork, broiler, and turkey production insufficient to offset the impacts of a multiyear drought on the cattle sector. Despite expectations of expanded production of pork and broiler meat in 2024, growth in supplies of red meat and poultry are expected to be limited by the impacts of the multiyear drought on supplies of cattle and continued adjustments of the turkey sector to an extended period of weak prices and the impact of Highly Pathogenic Avian Influenza (HPAI) on turkey flocks in late 2023 and early 2024. For 2024, red meat and poultry production is forecast to increase fractionally to 107.0 billion pounds. For 2024, tighter supplies of cattle are expected to support higher fed steer prices. Hog and broiler prices are expected to be higher despite higher production as stronger domestic and export demand absorb increased supplies. Turkey prices are forecast lower than 2023 as weak demand offsets expected reductions in production in the first part of 2024. However, moving through 2024, prices are expected to steadily move higher during the year and surpass 2023 by late 2024.

### **Feed Prices Will Decline and Forage Supplies Will Improve**

Feed prices during 2024 are likely to be slightly lower than 2023. Corn prices in the first part of 2024 are expected to be below a year ago reflecting a forecast 2023/24 crop year average of \$ 4.80 per bushel. Prices later in the year are expected to be below 2023, reflecting a decline in the season average price to \$4.40 per bushel for 2024/25. Soybean meal prices in the first part of 2024 will reflect a 2023/24 crop year average of \$380 per ton and prices in the fourth quarter are expected to reflect a market year forecast of \$320 for 2024/2025 as greater crush capacity increases supplies of soybean meal. Hay stocks on December 1, 2023, were 75.7 million tons, 7 percent higher than 2022. Although a number of major cattle producing States such as Texas, Oklahoma, Nebraska, North, and South Dakota had higher levels of stocks, these levels were below historical levels and many cow-calf producing areas in the Southeast reported lower stock levels.

### **Cattle and Beef**

The cattle inventory marked its fifth year of contraction in 2023. The *Cattle* report estimated the number of cattle and calves on January 1, 2024, at 87.2 million head, down 2 percent from a year earlier

and the lowest inventory level since 1951. The number of cows and heifers that calved was estimated at 37.6 million head, down 2 percent from the previous year. The beef cow herd was estimated at 28.2 million head, 2 percent smaller than 2023 and the lowest since 1961. The 2023 calf crop was estimated at 33.6 million head, about 2 percent smaller than the 2022 calf crop.

The U.S. cattle inventory will likely decline further in 2024. The *Cattle* report estimated that producers retained 1 percent fewer replacement heifers for the beef cow herd this year, and that fewer numbers of beef heifers expected to calve during 2024. The dairy cow herd was estimated fractionally below 2023, and producers indicated intentions to hold slightly fewer heifers for addition to the dairy herd. Beef and dairy cow slaughter thus far in 2024 has been below 2023 but may reflect the effects of winter weather on mid-January slaughter schedules. Nonetheless, with a smaller cow base, cow slaughter is expected to decline during the year, but reductions may also reflect improved forage conditions and strong calf prices which would support retention of cows as a precursor to any herd rebuilding.

The total number of cattle on feed in U.S. feedlots of all sizes on January 1 was 14.2 million head, 2 percent higher than 2023 while the number of cattle outside of feedlots on January 1 was about 4 percent below a year ago. While the increase in cattle on feed reflects higher placements in 2023 due to dry conditions, the tighter supplies of cattle outside feedlots points towards lower placements and declining feedlot numbers during 2024. Changes in producer decisions concerning heifer retention over the course of the year can affect the levels of heifers available for placement, but current data would point fewer heifers retained. With an expected smaller pool of cattle available for placement, feeder cattle prices are forecast higher, and these may provide incentives to increase imports of cattle. Imports of cattle are forecast at 2.05 million head in 2024, up from 1.98 million head in 2023. Although the demand pull from the U.S. will be strong, imports will likely be limited by tighter supplies of cattle in Mexico and Canada.

Commercial beef production for 2024 is forecast to fall by 3 percent, to 26.19 billion pounds. In the first part of the year, steer and heifer slaughter will reflect higher levels of cattle in feedlots at the beginning of the year but as the year progresses, marketings will decline as feedlot numbers diminish. Additionally, cow slaughter is expected to decline due to lower inventories and expectations that any response to improving returns or forage will likely be manifest in producers retaining cows later in the year. Heavier cattle weights, reflecting increased times on feed and a decreasing proportion of cows in the slaughter mix during 2024, will only partly offset lower slaughter numbers.

Beef exports declined 14 percent in 2023. Among the major markets of U.S. beef, exports to Japan, South Korea, Canada, Taiwan, and China were lower, although exports to Mexico and Hong Kong increased. High U.S. beef prices and increased competitor supplies limited competitiveness while economic sluggishness in several key countries dampened beef demand. Total beef exports are expected to decline to 2.79 billion pounds in 2024. U.S. exports are likely to be pressured by tightening domestic beef supplies with the resultant higher prices making U.S. beef less price competitive. Furthermore, increased beef production in export-oriented countries such as Australia and Brazil will likely increase competition in several markets.

Beef imports were 10 percent higher in 2023 as tighter supplies of domestic cow beef increased demand for imported beef trimmings. Increased supplies in Australia following years of drought supported increased imports as did higher slaughter in New Zealand. Among North American suppliers, imports

of beef from Canada were higher but more than offset by lower imports from Mexico. Imports of beef from Brazil were lower as the tariff-rate quota was filled early in the year and increased imports from other sources of supply helped fill U.S. import demands. Imports are forecast at record 4.13 billion pounds for 2024, almost 11 percent higher than 2023. U.S. cow slaughter is forecast lower for much of the year and tighter domestic supplies of processing-type beef are expected to support demand. Although imports from Brazil will be constrained by over-quota duties, strong U.S. processing beef prices will continue to make the U.S. an attractive market. In addition, higher production in Australia is expected to result in larger amounts of beef for export.

The 5-Area steer price for 2024 is forecast to average a record \$180.0 per cwt, eclipsing 2023's record \$175.54. Cattle prices will likely be supported by tighter supplies of steers and heifers in feedlots as the year progresses and relatively firm packer demand. Feeder cattle prices are also likely to eclipse 2023's record prices as feedlots will have to bid for tighter cattle supplies. Improved pasture conditions may result in increased competition for lighter-weight cattle, increasing costs for stocker operations. Feeder steer prices for 750–800 pound calves in 2024 are forecast to average \$248.5 per cwt, compared to \$218.69 in 2023.

## **Hogs and Pork**

Despite poor returns for much of 2023, the hog sector is looking at increased production in 2024. The December 2023 *Quarterly Hogs and Pigs* report estimated that on December 1, 2023, the inventory of all hogs and pigs was just under 75.0 million head, virtually unchanged from the prior year. The breeding herd, however, likely reflected weak producer margins, declining 3 percent to 6.0 million head. Producers indicated intentions to farrow about 1.5 percent fewer hogs in the first half of 2024. However, the sector is facing relatively large number of hogs which will have to be slaughtered during the first half of 2024 as the pig crop in the second half of 2023 was about unchanged from 2022. Despite reduced farrowings in second-half 2023, the rate of growth in pigs per litter in the last 2 quarters of 2023 averaged about 4 percent more than the prior year and more than offset the reduction in farrowings. Moving into the second half of 2024, availability of hogs for slaughter will reflect lower farrowing in the first half of the year but likely a return to pre-COVID rates of growth in pigs per litter. As a result, the first half pig crop may be about one percent higher and these higher numbers will be reflected in continued higher year-over-year levels of slaughter.

U.S. hog imports are forecast at just under 6.65 million head for 2024, down about 2 percent from 2023. Imports in 2023 were stimulated by structural changes in the Canadian hog and pork sectors which resulted in increased shipments to the United States. As Canadian hog production in 2024 is forecast to be lower, fewer supplies are expected to be available for export. Furthermore, relatively large supplies of hogs in the U.S. may limit the demand for Canadian hogs.

Driven by larger pig crops in second-half 2023 and first-half 2024, commercial pork production for 2024 is forecast at 27.88 billion pounds, about 2 percent higher than 2023. In addition to increased supplies of market-ready hogs during the year, carcass weights are expected to increase after declining in 2023.

Pork exports in 2023 increased just over 7 percent to 6.82 billion pounds. Exports to most countries in North and Central America countries were higher. Shipments to Mexico increased almost 10 percent,

exports to Canada were 8 percent higher and exports to Central America and the Caribbean were about 16 percent higher. On the other side of the world, the trade situation was more of a mixed bag with exports to Japan and China one percent and 18 percent lower, respectively, but exports to South Korea 10 percent higher and shipments to Australia up 90 percent. However, in both China and Japan, where aggregate imports were lower, the U.S. was able to gain or maintain market share, largely at the expense of the EU which had lower production in 2023. With expectations of growth in U.S pork production, firming global demand and continued constraints on EU supplies, U.S. exports in 2024 are forecast to increase about 4 percent to 7.08 billion pounds. However, U.S. exporters will likely find themselves facing increased competition in a number of key markets from expanded Brazilian supplies.

Pork imports declined 15 percent in 2023 to 1.14 billion pounds. Imports from three of the four major import sources (Canada, the EU, and Mexico) declined at double-digit rates, but imports from Brazil, the fourth largest source of imports was higher. Despite higher domestic U.S. production, increased production in Mexico and Brazil will likely make the U.S. an attractive destination for pork. However, continued tight supplies in the EU may limit imports from that region although demand may remain strong for certain specialty products. U.S. imports are expected to increase in 2024 to 1.20 billion pounds, 5 percent higher than 2023.

National base 51%-52% lean hog prices, live equivalent, are forecast to average \$60 per cwt for 2024, up from last year's \$58.59. Despite increased availability of hogs, expected increases in both domestic and export demand are expected to provide support for prices.

## **Sheep and Lamb**

The January 1, 2024, *Sheep and Goats* report estimated the total inventory of sheep and lambs at 5.03 million head, down 2 percent from January 2023. After increasing sharply in 2021, lamb prices declined through mid-2023. Although they moved above-year-earlier in the second half of 2023, lower early-year prices coupled with higher production costs likely led to a reversal in the expansion seen during 2022. Federally inspected mature sheep slaughter was 138,000 head in 2023, almost 6 percent higher than 2022. On January 1, 2024, the total breeding inventory was down 2 percent, and producers indicated they were holding just over one percent fewer replacement lambs.

For 2024, commercial lamb and mutton production is forecast to be 129 million pounds, a decline of just under one percent from 2023. The smaller lamb crop in 2023 would suggest lower supplies for slaughter in the first part of 2024.

After dipping in 2023, lamb and mutton imports are forecast higher in 2024, reflecting in part lower U.S. production. Increased availability of sheep meat in Australia and stable U.S. sheep meat demand will also make the United States an attractive market. Lamb and mutton imports in 2024 are forecast at 305 million pounds, up 7 percent from 2023, but below the import levels of 2021 and 2022.

A smaller domestic inventory and stable demand is expected to support lamb prices in 2024. The National Choice/Prime slaughter lamb price is forecast at \$174 per cwt, a one percent increase from 2023 average price of \$172.01 per cwt.

## **Broiler Meat**

For 2024, broiler meat production is forecast just under one percent higher to a record 46.8 billion pounds. After a contraction in production in second half of 2023, and indications of generally lower eggs set and chicks placed in early 2024, higher bird weights are helping underpin expectations of steady-to-slowly increasing production in the first part of 2024. Broiler price-feed margins began improving in late 2023, and with expectations of higher broiler prices and moderating feed costs through much of 2024, there may be incentives to expand production. However, the expansion is likely to remain modest. Broiler-type layers on January 1, 2024, were estimated at less than one percent higher and the number of broiler type pullets hatched in December was 4 percent below 2023. Egg fertility (hatchability) although relatively stable thus far in 2024, remains below historical levels. Thus, the majority of the increase in production in 2024 will likely reflect higher bird weights.

U.S. broiler meat exports for 2024 are forecast to decrease fractionally to 7.22 billion pounds. Despite higher expected U.S. supplies, domestic demand is expected to support prices and dampen export competitiveness, particularly in price-sensitive markets. Although a number of key markets are expected to increase total broiler imports in 2024, increased production in Brazil, the largest exporter of broiler meat, will likely compete for market share in several key U.S. markets.

The National Composite wholesale broiler price is forecast to average a record \$1.27 per pound in 2024, compared with an average of \$1.24 in 2023. Despite modestly larger broiler meat supplies, lower supplies of beef will likely help support higher prices.

## **Turkey**

Turkey production for 2024 is forecast to decrease one percent to 5.40 billion pounds. Flock depopulations in late 2023 and early 2024 due to Highly Pathogenic Avian Influenza (HPAI) are expected to constrain early-2024 production. Relatively weak demand has kept prices at below-year-early levels since June of 2023 limiting incentives to expand. Eggs in incubators on the first of January were 9 percent below 2023, continuing a trend of below year-earlier levels since November 2023. Monthly poult placements in November and December of 2023 were also below previous year levels. However, as the sector recovers from the depopulations induced by HPAI discoveries, bird numbers will likely increase. Although turkey prices are likely to remain relatively weak, moderating feed costs are expected to benefit the sector. With increased flocks and more favorable production costs, the stage may be set for expanded production in second half of the year.

Turkey exports for 2024 are forecast to increase 5 percent to 515 million pounds. Mexico remains the largest destination for turkey exports, but lower U.S. prices may make turkey more attractive in price-sensitive markets.

As turkey production recovered in 2023 from the 2022 HPAI discoveries, wholesale hen prices dropped from 2022's record high price. Although prices at the beginning of 2023 followed through on late-2022 prices (averaging a record for January of \$1.72 per pound), with the exception of March, prices moved steadily lower during the year. By December prices averaged \$0.82 per pound, the lowest price for that month since 2017. Despite expectations of lower production for most of the year, prices are expected to

increase only gradually and not exceed 2023 before the fourth quarter. For 2024, the average National turkey hen price is forecast to average just under \$1.07 per pound, compared to an average of \$1.40 in 2023.

## **Eggs**

Total U.S. egg production in 2024 is expected to be 9.31 billion dozen, just over one percent higher than 2023. At the start of 2024, the sector is recovering from HPAI-related culls in November, December, and early January, which resulted in the depopulation of 13.6 million table egg layers. Nonetheless, at the beginning of the year, the table egg flock was 311.8 million birds, 1.4 percent above 2023. Gains in late-2023 production were also supported by higher levels of eggs per bird. Growth in eggs per layer is expected to carry into 2024, but as new hens are added to laying flocks, some of the efficiency gain maybe lost. Thus, lay-rate gains later in year may be somewhat slower than those earlier in the year and this will have a dampening impact on production growth. Hatching egg production in 2024 is expected to increase only modestly as broiler and table egg producers only gradually increase their flocks.

In 2023, egg and egg product exports increased almost 11 percent from 2022's highly depressed levels to 250 million dozen, shell egg equivalent. Although restrictions on imports from HPAI infected areas generally focus on zones rather than state or national levels, U.S. prices were high, especially in the early part of the year, limiting sales. However increased demand by Canada and Mexico helped support sales. For 2024, despite increased production and lower prices, exports are expected to be lower as international demand weakens. Exports are expected to decline 4 percent in 2024 to 241 million dozen.

For 2024, New York wholesale egg prices are forecast to average \$1.83 per dozen. Although this is down from the \$1.92 average for 2023, the relatively high price reflects early-year price spikes as markets responded to concerns about the availability of supplies of table eggs ahead of the Easter. However, with only modest growth in production and relatively strong demand, second- and third-quarter prices are expected to average higher than 2023.

Additional information about the 2024 livestock and poultry outlook is available at:

World Agricultural Outlook Board (WAOB)  
[World Agricultural Supply and Demand Estimates](#)

Economic Research Service (ERS)  
[Livestock, Dairy, and Poultry Situation and Outlook](#)

Foreign Agricultural Service (FAS)  
[Livestock and Poultry: World Markets and Trade](#)