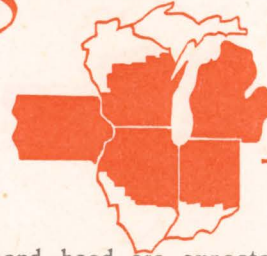


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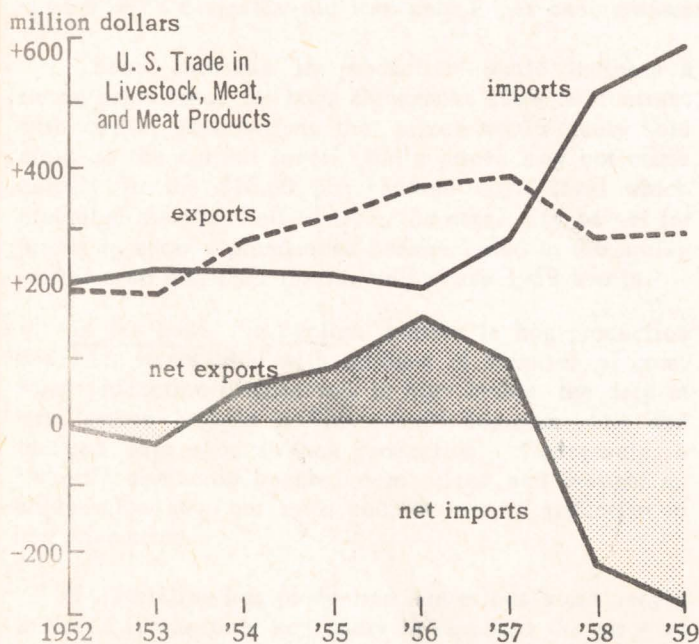


Number 539

TOTAL IMPORTS OF LIVESTOCK, MEAT and meat products into the U. S. in 1959 will be close to \$600 million. Exports remained close to the 1958 level of \$287 million. However, even this high level of meat imports represents less than 4 per cent of U. S. production of red meats.

The imports last year consisted primarily of meat products and livestock, while exports consisted largely of livestock by-products and specialty meats.

Fluctuations of net trade in livestock, meat and meat products have tended to offset fluctuations in domestic production of meat. In 1956, when total meat production and per capita consumption were at record levels, net exports were \$154 million. In 1958, with lower meat production and higher prices, the trade balance had shifted to net imports of \$225 million.



Beef and veal have comprised the largest share of imports of meat and livestock. However, even at their high levels in 1959, beef imports will account for only 6 per cent of total U. S. beef supply.

The amount and type of beef and veal imported has varied according to the level of beef production in the U. S. In 1956, a year of large per capita supply of beef, fresh and frozen imports were half as large as canned beef, whereas, in 1959, a year of relatively small per capita supply of beef, the fresh and frozen category will be nearly six times as large.

In contrast, exports of fresh and frozen beef were at high levels in 1956 and 1957, but, by 1959, exports of fresh beef were very low.

Cattle imports also vary closely with the U. S. cattle cycle, though in several years embargoes due to hoof and mouth disease restricted imports. About 840

thousand head are expected to cross the borders this year, a decline from the 1.2 million head last year.

U. S. Exports-Imports of Beef and Veal Meat and Meat Products

Imports	1955	1956	1957	1958	1959*
	----- (million pounds) -----				
Fresh and frozen.....	26	31	126	358	539
Pickled or cured.....	5	8	11	6	9
Canned.....	87	73	95	113	93
Total imports.....	119	112	232	478	641
Exports					
Fresh and frozen.....	18	61	71	7	7
Pickled or cured.....	17	16	15	16	14
Canned.....	5	5	3	2	3
Total exports.....	41	81	89	25	24
Total U. S. production .	15,147	16,094	15,739	14,531	14,700

* 1959 partially forecast.

Shipments of Canadian feeder cattle, which account for over half the U. S. imports, dropped off sharply after the middle of 1959. In part, this is a reflection of lower prices on feeder cattle in the U. S. this fall and, in part, it is a reflection of the upswing in cattle numbers in Canada after the forced reduction in breeding herds during the 1958 drought.

Imports of Mexican cattle, which account for about 40 per cent of the total, have similarly been reduced due to the imposition of an export quota by the Mexican government of 380 thousand head. This is nearly a 20 per cent reduction from the 461 thousand head moving north from Mexico in the year ending August 31, 1959.

Meat imports benefit consumers by complementing domestic supplies in periods of low production, thus evening out consumption. Producers also receive some benefits, though indirectly. The dampening of price increases in periods of low production tend to reduce the violence of the upswing in production and the price consequences which would follow.

Research Department