

PER CAPITA CONSUMPTION

In 2007, U.S. consumption of red meat and poultry is forecast to decline, but some important trends are emerging in late 2007 that are expected to continue in 2008. Per capita consumption is a useful reference because it reflects domestic production, but also incorporates three important adjustments: imports, exports, and frozen stocks. Typically, per capita consumption is calculated on a per person basis using a retail equivalent (depicting estimated purchase weight at retail). Of course that amount is not necessarily what people eat and is often referred to as estimated retail disappearance.

In calendar year 2007, estimated retail weight beef consumption per person in the U.S. will be just over 65 pounds, at least 0.5 pounds below a year ago and the smallest since 2003. U.S. pork consumption for the year is expected to be just over 50 pounds, up 0.9 pounds from 2006 and the largest since 2004. Annual U.S. broiler consumption in 2007 will post a rather unusual year-to-year decline. In 2007, broiler consumption will likely be just over 85 pounds, down about 2 pounds from 2006 and will be the smallest since 2004. Overall, per person U.S. red meat and poultry consumption in 2007 will be below 2006's (down about 1.3 pounds) and will be the smallest since 2001.

In 2008, forecasts call for a very small year-to-year decline in U.S. beef production and for relatively large increases in pork and poultry production. Exports of red meat and poultry are forecast to grow. Overall, U.S. per capita consumption of all red meat and poultry may be about unchanged in 2008. However, the consumption mix will change in large part reflecting per capita production changes. Another key determinant of U.S. consumption levels in 2008 will be how strong U.S. export markets are. So, on a per person basis, beef consumption will decline in 2008 and pork and poultry will replace beef. In fact, U.S. per capita beef consumption in 2008 may be the smallest on a retail weight basis since 1960.

Source: Livestock Marketing Information Center