Lamb Market Outlook

Virginia Shepherd’s Symposium

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David P. Anderson
Professor and Extension Economist
Livestock and Food Products Marketing

Overview

• Recovery
• Supplies
• Meat Demand
• Wild Cards

Recovery
Supplies
Supply Expectations

• Stabilizing Inventory
• Carcass Weights
  – A little heavier, but not disastrously heavier
• Small Increase in Lamb Production
• Strong Competition from Imports
  – But, increased China demand pulling lamb off world market

Demand

![Chart: Quarterly Gross Domestic Product (GDP)]

Livestock Marketing Information Center
Data Source: Bureau of Economic Analysis, Compiled & Analyzed by LMIC
Demand Factors

• Growing Economy
  – Faster growth will boost demand
• Price Competition
  – As usual
• Rebuilding Demand That was Damaged by High Prices and Quality
  – Appears to have happened to some degree

Wild Cards

U.S. Drought Monitor
January 15, 2013

U.S. Drought Monitor

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**Price Expectations**

- Average Lamb Prices
  - Build support for current price strength
  - Lamb prices above 2013
  - Not as high as lamb prices in 2011-early 2012
- Demand Supports Prices
  - Rebuilding demand
  - Growing economy
  - Tough price competition

**THANK YOU!**