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In spring a cattle producer's fancy turns to grass cattle and this year is no exception. Prices for light weight feeder steers suitable for placement on grass have increased about 7% since late February. Weekly prices for 500-600 pound steers at four major Kansas auctions averaged \$98.43 per cwt. the last week of March, up from \$91.58 in late February. Seasonal demand for grass cattle generally pushes light weight cattle prices to a peak in April or, occasionally, early May. So, the strongest light weight steer and heifer prices of the year are expected over the next month. If slaughter cattle prices remain strong as expected, look for weekly average prices to top out near \$100 before declining seasonally in May and June.

Budget projections for a full season grazing program indicate that a 550 pound steer calf purchased near last week's average price (\$98/cwt.) and placed May 1 on a Flint Hills pasture for grazing until October 1 will likely have a breakeven in the mid-\$80's, if marketed weighing about 790 pounds. The same steer placed on an early-intensive grazing program, marketed in mid-July weighing about 730 pounds, will likely have an expected breakeven that is about \$2 to \$3 per cwt. higher than the heavier full season steer.

Recent futures prices for both summer and fall suggest cash prices could be somewhat below calculated breakevens as futures traders continue to focus on uncertainty about both future beef supplies and demand. So, risk management options for buyers of grazing cattle this spring appear to be limited primarily to option based strategies.

**The Markets**

Weekly average slaughter cattle prices were virtually unchanged last week in Kansas, averaging \$78.04/cwt. (live weight), whereas weekly average dressed trade in Nebraska rose \$0.97/cwt. Steer calf prices increased less than \$1/cwt. in Kansas, but declined nearly \$1.50/cwt. in Nebraska. Feeder weight steers were flat compared to the prior week in Nebraska, but rose \$2.71 in Kansas. Weekly average boxed beef prices strengthened slightly compared to the prior week, but were still 8\$higher than the prior year. The light Choice-Select spread rose \$0.64/cwt. compared to the prior week and was more than double the year ago level.

	<b>Last Week</b>	<b>Previous Week</b>	<b>Last Year</b>
Kansas Fed Steer Price, live weight (35-65% Choice)	\$78.04	\$77.96	\$70.25
Neb. Fed Steer Price, dressed weight (35-65% Choice)	\$126.47	\$125.50	\$112.70
700-800 lb. Feeder Steer Price, Kansas 4 market avg.	\$80.49	\$77.78	\$81.24
500-600 lb. Feeder Steer Price, Kansas 4 market avg.	\$98.43	\$97.72	\$98.86
700-800 lb. Feeder Steer Price, Neb. 7 market avg.	\$81.89	\$81.78	\$83.15
500-600 lb. Feeder Steer Price, Neb. 7 market avg.	\$98.61	\$100.08	\$104.67
Choice Boxed Beef Price, 600-750 lb. carcass	\$126.03	\$125.21	\$116.46
Choice-Select Spread, 600-750 lb. carcass	\$7.34	\$6.70	\$3.29