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Cattle on Feed

The USDA released the Cattle on Feed report on Friday and it should be fairly neutral to the markets as the actual USDA numbers were all in line with pre-report trade estimates. There were 10.7 million head of cattle on feed as of April 1, 2003 for lots with 1,000+ capacity. That is an increase of 1.7% from March and an 8 percent decline from April 2002 and a decline of 7 percent from April 2001. Pre-report trade expectations were that the April 1 inventory would be down 7.5 from 2002. March placements were 105% of 2002 and were record large for this month. March marketings were 99% of 2002 and slightly exceeded trade expectations.

The large placement figure in March appears to be the result of many cattle moving off from wheat pastures. Kansas and Oklahoma had placements of 117 and 118 percent of 2002 and Texas placements were 7 percent higher than the prior year. In the north, Nebraska only had a 3 percent increase over last year and Colorado placements were actually down 17 percent from 2002. The majority of cattle placed in March were weighing 700 pounds or more.

This placement pattern should bring greater numbers of fed cattle to market in late summer. However, it is not likely to impact the board much as August Live Cattle are already discounted about \$9 from April Live Cattle.

The Markets

Slaughter cattle prices were \$1 lower in the southern plains, with the bulk of the trade occurring at \$79. Prices were \$3-4 lower in the north with slaughter cattle prices falling to \$126 dressed. Choice boxed beef prices were higher for the week and the Choice -Select spread continues to increase. Feeder cattle prices were generally steady in Kansas and Nebraska on most weight of feeders. Calf volume is relatively light.

	Last Week	Previous Week	Last Year
Kansas Fed Steer Price, live weight (35-65% Choice)	\$79.68	\$80.50	\$65.58
Neb. Fed Steer Price, dressed weight (35-65% Choice)	\$126.65	\$129.85	\$105.88
700-800 lb. Feeder Steer Price, Kansas 4 market average	\$81.33	\$81.05	\$78.70
500-600 lb. Feeder Steer Price, Kansas 4 market average	\$96.53	\$96.00	\$96.33
700-800 lb. Feeder Steer Price, Neb. 7 market average	\$84.08	\$85.08	\$81.37
500-600 lb. Feeder Steer Price, Neb. 7 market average	\$104.46	\$101.93	\$100.10
Choice Boxed Beef Price, 600-750 lb. carcass	\$135.21	\$133.40	\$116.65
Choice-Select Spread, 600-750 lb. carcass	\$11.76	\$10.33	\$8.53