

**Darrell R. Mark, Ph.D.**  
**Asst. Professor, Department of Agricultural Economics, University of Nebraska**

**The Trade Picture**

Imports of beef into the U.S. during February were up about 18% compared to last year, measured on a carcass weight basis. Most of the increase in beef imports was from New Zealand, which represented a 56% increase over the previous year. Compared to two years ago, beef imports were down about 2% in February. Year-to-date, beef imports were 12% higher than during the first two months of 2002. The increase in beef imports offsets a decrease in live cattle imports. Imports of live cattle from Mexico and Canada were 32% and 26% lower in February compared with last year. Cattle imports from these two countries were down about 17% year-to-date.

Beef exports on a carcass weight basis were up 7.4% in February compared to last year and up 11% from two years ago. Beef exports to several of our major customers were down slightly, but exports to Japan and Canada were up 24% and 9%, respectively. Exports to Japan have increased 36% from the low in December 2001 following the Japanese BSE cases in the fall of 2001. They still remain roughly 20% below the level prior to the Japanese BSE scare. Still, Japan remained the U.S.'s number one beef export market in 2002, with 31% of U.S. exports. That was down from 45% in 2001, a year marked with strong sales to Japan prior to the BSE cases in the latter part of the year. As exports to Japan continue to recover and increase, Japan's proportion of the U.S. export market will likely edge close to 50% of U.S. beef sales. Exports of live cattle to Mexico and Canada during February were down 85% and 36% compared to last year when live cattle exports were relatively high.

**The Markets**

Last week, slaughter cattle prices were about steady compared with the week before. Nebraska slaughter steers sold for \$124.80 on a dressed basis. Average live weight prices in Kansas were \$77.99. The Choice/Select spread continued to widen last week. Choice and Select boxed beef prices were down \$0.73 and \$2.72 for the week. Following a week of scattered rains in the Midwest, some substantial, steer calf prices in Nebraska and Kansas were \$2-3 higher compared with the previous week, reflecting buyers' renewed hope that drought stricken pastures will begin to recover. Prices for 700-800 lb. steers were mostly steady in Kansas and about \$1 higher in Nebraska.

	<b>Last Week</b>	<b>Previous Week</b>	<b>Last Year</b>
Kansas Fed Steer Price, live weight (35-65% Choice)	\$77.99	\$77.79	\$64.93
Neb. Fed Steer Price, dressed weight (35-65% Choice)	\$124.80	\$124.30	\$104.55
700-800 lb. Feeder Steer Price, Kansas 4 market average	\$82.30	\$82.27	\$77.62
500-600 lb. Feeder Steer Price, Kansas 4 market average	\$98.80	\$95.57	\$93.44
700-800 lb. Feeder Steer Price, Neb. 7 market average	\$85.89	\$84.68	\$79.77
500-600 lb. Feeder Steer Price, Neb. 7 market average	\$106.22	\$103.06	\$98.31
Choice Boxed Beef Price, 600-750 lb. carcass	\$133.80	\$134.53	\$111.21
Choice-Select Spread, 600-750 lb. carcass	\$16.36	\$14.38	\$8.37