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Cow Markets

A quick review of the markets for the 4th quarter of 2003 compared to 2002: box beef and fed cattle prices have been 50% higher and yearlings and calves have been 25% higher. So, what have the cull cow and bred cow markets done? Cull cow prices this fall have averaged about \$50 per cwt. for breaker and boner cows and the leaner cows have sold in the upper \$30's to lower \$40's. Last year, the breaker and boner cows sold in the mid \$30's and the lean cows sold in the low \$30's. The breaker and boner cow prices have therefore increased about 40% while the lean cow prices have increased 30%. (A free market tip: there will be no slaughter cows coming from Canada next year and the dairy buy-out should be about done; therefore, there could be a good market for those lean cows that are put on feed now and sold in 3-4 months.)

Bred heifer and cow prices are about 30% higher than last year as well. Nationally, Cattle-Fax estimates the average bred heifer price for Oct-Nov to be about \$900 per head compared to \$675 last year. USDA-AMS reports from Torrington, WY for the last month had bred heifers priced from \$850-1000 per head. Young and middle age cows were priced at \$850-1100, while aged cows were priced from \$600-850 per head. However, there have been reports of "fancy" young cows selling for over \$1300 per head. There is an old "rule of thumb" that you can't pay more for a cow than the value of her next two calves. Those cows selling for \$900-1000 probably fit that rule. Cows at \$1200-1300 may be pushing that rule.

The Markets

Last week, slaughter cattle prices were \$3 lower in the southern plains, with the bulk of the trade occurring at \$96-97. Prices were also lower in the north with slaughter cattle prices at \$155-156. Boxed beef prices were lower for the week, and the Choice-Select spread continues to narrow from record levels. Feeder cattle prices in Kansas and Nebraska were generally lower compared to the previous week.

	Last Week	Previous Week	Last Year
Kansas Fed Steer Price, live weight (35-65% Choice)	\$96.60	\$99.94	\$72.54
Neb. Fed Steer Price, dressed weight (35-65% Choice)	\$155.81	\$162.17	\$114.42
700-800 lb. Feeder Steer Price, Kansas 4 market average	\$101.93	\$103.65	\$86.14
500-600 lb. Feeder Steer Price, Kansas 4 market average	\$110.21	\$109.84	\$93.36
700-800 lb. Feeder Steer Price, Neb. 7 market average	\$104.08	\$108.45	\$86.75
500-600 lb. Feeder Steer Price, Neb. 7 market average	\$115.01	\$117.39	\$95.32
Choice Boxed Beef Price, 600-750 lb. carcass	\$157.09	\$160.60	\$122.61
Choice-Select Spread, 600-750 lb. carcass	\$14.25	\$15.70	\$5.02