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**Have Weights Bottomed Out?**

Dressed cattle weights were below a year ago throughout the first quarter of 2004. Weekly averaged dressed cattle weights averaged 1.2% below a year ago during January-March and were still below last year at the beginning of April. Similarly, weekly dressed steer weights averaged 2.1% lighter than last year during January-March.

But averaged dressed cattle weights were heavier than last year during April, averaging 0.4% (3 lbs.) above 2003's. Steer dressed weights were still below a year ago during mid-April, but were poised to move above last year's level by either late April or early May. But the year-to-year increase in weights that's ahead the rest of this spring could be modest as cattle feeders' inventories are still very current. Longer term, however, look for a more significant year-to-year increase in weights to materialize this summer.

Cattle weights increase seasonally from spring into summer. During the four years prior to 2003, the increase in weights from spring into summer averaged 2.6%, and the largest increase was 3.9% during 2001. Last year, however, weights only increased 1.6% from spring to summer. This year dressed cattle weights are likely to follow a more typical pattern, which means weights this summer could exceed last year's by 2 to 3 percent.

**The Markets**

Cash slaughter steer prices rose again last week, climbing nearly \$2/cwt. in Kansas to average \$86.80/cwt. (live), 11% higher than a year ago. Dressed weight steers in Nebraska increased \$2.24/cwt. compared to the prior week and averaged \$140.05/cwt., 12% higher than 12 months earlier. Live cattle futures prices continued to move higher early this week, as June futures closed in on \$85/cwt. Boxed beef prices declined modestly from a weekly average near \$160/cwt. to \$157.62/cwt., but the light Choice-Select spread increased to \$19.80/cwt. This was the eighth week in a row that the Choice-Select spread increased. Since bottoming out in late February, the light Choice-Select spread has tripled. Strength in cash fed cattle prices and in deferred live cattle futures prices combined to boost feeder cattle prices at most markets last week. Prices for 700-800 lb. feeder steers increased \$4.70/cwt. at Kansas markets last week, pushing them to a \$103.81 weekly average. Prices for 500-600 lb. steers rose over \$3/cwt. at Kansas markets and averaged \$117.76/cwt. last week. Normally, prices for light weight steers and heifers start to weaken during May as demand for grass cattle begins to wane, so there's a good chance we've reached the peak in light weight steer prices.

	<b>Last Week</b>	<b>Previous Week</b>	<b>Last Year</b>
Kansas Fed Steer Price, wtd. average, live weight	\$86.80	\$84.94	\$77.99
Nebraska Fed Steer Price, wtd. average, dressed weight	\$140.05	\$137.81	\$124.98
700-800 lb. Feeder Steer Price, Kansas 4 market avg.	\$103.81	\$99.11	\$82.30
500-600 lb. Feeder Steer Price, Kansas 4 market avg.	\$117.76	\$114.31	\$98.80
700-800 lb. Feeder Steer Price, Neb. 7 market avg.	\$104.95	\$102.95	\$85.89
500-600 lb. Feeder Steer Price, Neb. 7 market avg.	\$124.78	\$121.60	\$106.22
Choice Boxed Beef Price, 600-750 lb. carcass	\$157.62	\$159.93	\$133.80
Choice-Select Spread, 600-750 lb. carcass	\$19.80	\$18.44	\$16.36