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Range and Pasture Conditions

The persistent drought in the northern plains and rocky mountain states is impacting range and pasture conditions. Montana has 55% of its pasture rated as either poor or very poor. Colorado, Wyoming, North and South Dakota all have more than 40% of their pastures in these categories. Kansas and Nebraska each show that 37% of their pastures are poor or very poor. For both Kansas and Nebraska it is likely that the further west you are the poorer your pastures are. By contrast, the southeast and southern plains are in great shape. The majority of their pasture land is rated good to excellent.

If this pattern persists, it will have some direct market impacts for cattle. It is likely that herd rebuilding is underway in the southern plains and southeast, but not in the northern plains and rocky mountain regions. In fact, there still may be some herd liquidations in these areas. While calf and feeder cattle prices across the country are at record price levels, northern feeder cattle markets are even higher relative to the southern plains. The drought as reduced cow and calf numbers in the north and the closed border with Canada has eliminated that source of feeder cattle.

There is a very tight supply of feeder cattle in the north and it appears that until weather patterns change and/or the border with Canada is reopened, that situation will not change. I look for continued strength in the calf and yearling markets.

The Markets

Slaughter cattle prices ended the week sharply higher in both the southern plains and the northern markets. Trade occurred at \$89-92 in the south and prices were \$6-7 higher in the north with excellent showlist clearance. Choice boxed beef prices were higher this week. The Choice -Select spread decreased slightly but remains historically wide. Feeder cattle prices were generally higher in Kansas and in 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)	\$90.39	\$86.80	\$78.19
Neb. Fed Steer Price, dressed weight (35-65% Choice)	\$146.22	\$140.05	\$125.65
700-800 lb. Feeder Steer Price, Kansas 4 market average	\$104.84	\$103.81	\$84.13
500-600 lb. Feeder Steer Price, Kansas 4 market average	\$119.20	\$117.76	\$98.97
700-800 lb. Feeder Steer Price, Neb. 7 market average	\$109.86	\$104.95	\$87.75
500-600 lb. Feeder Steer Price, Neb. 7 market average	\$126.42	\$124.78	\$101.52
Choice Boxed Beef Price, 600-750 lb. carcass	\$159.86	\$157.62	\$134.52
Choice-Select Spread, 600-750 lb. carcass	\$19.65	\$19.80	\$17.48