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**The Grass Got Greener**

U.S. Pasture and Range conditions reported for the last two weeks indicate substantial improvement this year compared to last year and the five year average. Nationally, 55% is rated good to excellent, compared to 45% last year at this time. Only 14% is currently in poor to very poor condition, compared to 19% last year. As of May 8, 2005, the condition index was 348 (100=very poor, 500=excellent), up 4.2% from 2004's index of 334 and up 5.5% from the five-year average index of 330.

The increase in the national average pasture and range condition index was driven by substantial improvements in the Great Plains (CO, KS, MT, NE, ND, SD, WY) and Western (AZ, CA, ID, NV, NM, OR, UT, WA) regions of the U.S. The 2005 condition index in the Great Plains is 307, compared to 272 last year. Conditions improved in the Western region from 327 in 2004 to 339 in 2005. Areas to the east, however, saw moderate decreases in the condition index. The Southern Plains condition index dropped from 352 in May 2004 to 335 this year, the Cornbelt declined from 360 to 341, the Northeast dropped from 370 to 319, and the Southeast decreased from 350 to 343. It appears that producers in the Great Plains region anticipated some of the improvement in grass conditions and increased beef cow numbers 0.8% by January 1, 2005 (compared to January 1, 2004). Producers in the Western region, however, held beef cow numbers steady.

General improvement in pasture and range conditions has contributed to strong demand and substantially higher prices for stocker cattle, particularly in the northern Great Plains area. At \$146/cwt, 500-600 lb. steers in Nebraska are fully \$20/cwt higher than last year. Reports of more than \$160/cwt for 400-500 lb steers in Nebraska and South Dakota are not uncommon in recent weeks either. It will be interesting to see if improved grass conditions this year can result in gains good enough to make summer grazing programs profitable at these prices.

**The Markets**

Kansas slaughter cattle prices dropped about \$2/cwt (live weight basis), with the bulk of last week's trade at \$90-91. Nebraska dressed sales averaged nearly \$4/cwt lower last week. Choice boxed beef declined \$0.21/cwt from the previous week, averaging \$162/cwt for the week. Last week the Choice-Select spread widened \$0.54/cwt to \$16.53 but remains \$3.76 narrower than last year. Prices for yearling feeder steers in Kansas and Nebraska were down \$1-2/cwt last week, but remain \$7-10/cwt higher than last year. Feeder steer calf prices were slightly lower in Kansas last week, but were about \$2/cwt higher in Nebraska.

	<b>Last Week</b>	<b>Previous Week</b>	<b>Last Year</b>
Kansas Fed Steer Price, live weight	\$90.64	\$92.83	\$90.41
Neb. Fed Steer Price, dressed weight	\$144.62	\$148.58	\$146.43
700-800 lb. Feeder Steer Price, Kansas 4 market average	\$114.19	\$115.46	\$104.84
500-600 lb. Feeder Steer Price, Kansas 4 market average	\$139.71	\$140.14	\$119.20
700-800 lb. Feeder Steer Price, Neb. 7 market average	\$116.83	\$118.73	\$109.86
500-600 lb. Feeder Steer Price, Neb. 7 market average	\$146.34	\$144.35	\$126.42
Choice Boxed Beef Price, 600-900 lb. carcass	\$162.00	\$162.21	\$160.09
Choice-Select Spread, 600-900 lb. carcass	\$16.53	\$15.99	\$20.29