

In The Cattle Markets

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Cattle on Feed

On Friday, April 20, the USDA released its latest estimate for the number of cattle on feed. The biggest surprise in the report was lower than expected marketings for the month of March. This will likely be somewhat bearish for near term markets, as the perception will be that there are more market ready cattle than what was expected. For March, there were 1.85 million head marketed which was 6% lower than last year and 2% lower than the pre report expectations. The placements were well anticipated at 1.97 million head, which was 7% larger than a year ago but equal to expectations. That brought the total number of cattle on feed for April 1 to 11.64 million head. That total is one percent below the prior year but one percent greater than the trade had anticipated. Feedlots in the north appear to be feeding more cattle relative to last year and relative to the south. South Dakota, Iowa, and Nebraska on feed totals were up 10%, 6%, and 3% respectively. Conversely, Texas, Kansas and Oklahoma on feed totals were down 5%, 4% and 3% respectively. This lends some credence to the “window” surveys that are reporting more cattle being fed where more ethanol plants are being built.

The Markets

Slaughter cattle prices were lower in the south with light to moderate trade and prices were equally lower in the north with a trade on Thursday and Friday this last week. Prices were mostly \$96 in the south and mostly \$155 in the north. Choice boxed beef prices were a \$2.60 lower this week, while Select prices were nearly \$3.00 lower for the week. The Choice-Select spread increased this week and is near the historical level. Feeder cattle prices were steady to lower in Kansas and were mixed in Nebraska this week. Prices for 7-weight steers were about \$1/cwt lower in both markets and prices for lighter 5-weight calves were \$0.50 lower in Kansas but were \$3 higher in Nebraska. Corn prices were 15 cents per bushel higher at Omaha this last week.

	Last Week	Previous Week	Last Year
Kansas Fed Steer Price, live weight	\$96.11	\$98.27	\$82.04
Neb. Fed Steer Price, dressed weight	\$154.81	\$160.20	\$132.52
700-800 lb. Feeder Steer Price, Kansas 4 market average	\$108.69	\$109.88	\$106.64
500-600 lb. Feeder Steer Price, Kansas 4 market average	\$129.32	\$129.89	\$133.16
700-800 lb. Feeder Steer Price, Neb. 7 market average	\$111.66	\$112.29	\$109.25
500-600 lb. Feeder Steer Price, Neb. 7 market average	\$132.16	\$129.32	\$130.34
Choice Boxed Beef Price, 600-900 lb. carcass	\$166.29	\$168.89	\$142.28
Choice-Select Spread, 600-900 lb. carcass	\$11.50	\$11.12	\$14.11
Corn Price, Omaha Nebraska, \$/bu	\$3.50	\$3.35	\$2.07