

# Livestock Monitor

## A Newsletter for Extension Staff

### Livestock Marketing Information Center

State Extension Services in Cooperation with the USDA

Market Indicators . . .

April 21, 2023

Production			Prices			
<b>Week Ending 4/22/2023</b>	Last	Year Ago	<b>Weekly Average (\$/Cwt)</b>	Last	Week Ago	Year Ago
FI Cattle Slaughter (Thou Hd)	622	664	Live Steer	178.54	180.44	143.02
FI Hog Slaughter (Thou Hd)	2459	2376	Dressed Steer	287.68	289.77	232.29
FI Sheep Slaughter (Thou Hd)	35	40	Choice Beef Cutout	306.51	297.91	269.58
Young Chicken Sltr. (Mil Hd)	167.6	169.6	USDA Hide/Offal	12.85	12.80	13.31
			OK City Fdr. Str. (6-7 Cwt.)	227.96	222.50	172.36
Slaughter Cattle Live Weight	1365	1376	National Negotiated Hogs	67.76	70.14	102.48
Slaughter Hog Live Weight	291	293	Natl. Net Hog Carcass	76.05	75.60	101.65
Slaughter Lamb/Sheep Live Wt.	124	122	Feeder Pigs (40 Lbs) (\$/Head)	60.11	71.32	102.57
Beef Production (Mil Pounds)	509.7	550.6	Pork Cutout	78.39	77.27	109.32
Pork Production (Mil Pounds)	533.7	518.7	Lamb Cutout	443.94	443.16	573.57
Lamb, Mutton Prod. (Mil Lbs.)	2.2	2.5	Cheddar, 40 lb Block(\$/lb)	1.97	2.02	2.27
<b>Previous 6 Wk. Moving Avg.</b>			Corn, Omaha (\$/Bu)	6.77	6.78	8.09
Total Beef (Mil Lbs)	511.1	540.3	Soybeans, Cntrl IL (\$/Bu)	15.22	15.19	17.73
Total Pork (Mil Lbs)	532.1	525.2				
Total Lamb, Mutton (Mil Lbs)	2.5	2.6				

*Source: Various USDA-AMS reports. Data are preliminary.*

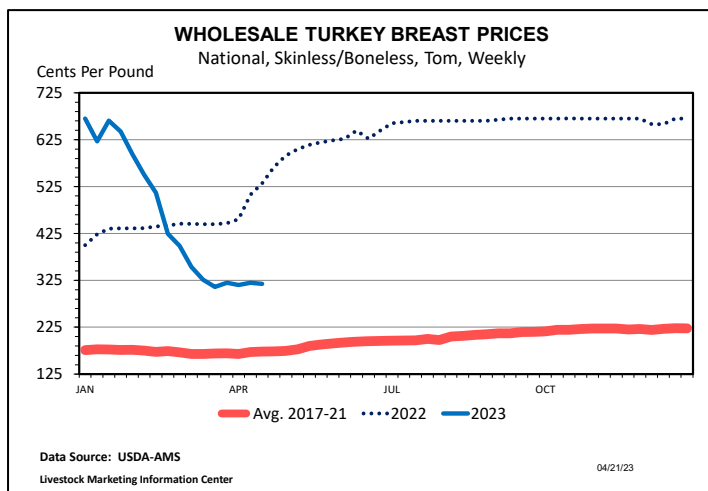
### Trends. . . TURKEY PRICES FALL

It's still early in the HPAI season, making poultry forecasts precarious. The current LMIC forecasts for turkey production in 2023 are expected to rebound 3% after 2022's 5% decline from the previous year, and next year is expected to add another 3% taking the U.S. closer to levels seen in 2020.

This is a very different scenario than what we saw last year when prices moved to record levels and remained there for most of the year. This year, we have seen a significant reset in turkey part prices. Across most of the turkey parts complex prices have declined. Domestic fresh delivered prices for drumsticks, necks, and tenderloins are all off the start of the year pricing by more than 30%. Mechanically separated 15-20% fat content is down more than 20%, while scapula meat is down 25%. Wholesale turkey breast prices have seen the largest decline this spring, falling from a high of \$6.70 per pound to this week's low of \$3.14 per pound, a 53% decrease. Whole bird pricing is down less than 1% from the beginning of 2023,

but is expected to correct swiftly based on what pricing has done in turkey parts.

The last several months have seen an increase in bird mortality in the turkey hatchery data which makes the declines in prices all the more unusual. Prior to 2022, the percent change in poults with the corresponding percent change from a year ago in slaughter five months from poult placement was 0.3% difference on average since 2015. From 2022 to March 2023 that difference has been 6% smaller slaughter. The latest data USDA NASS



released last Friday reflects data for the month of March. It showed eggs in incubators down 5% while net poult hatched were down 2%. Estimates in poult placements earlier this year called for a 2-3% increases. March slaughter data has not been released yet, but total turkey slaughter in February was up 0.7% from the year earlier compared to the increase in net poult placements of 3% in the five months prior.

## SHEEP AND LAMB UPDATE

Weekly sheep and lamb slaughter has tracked above year ago levels since late-January and now started to move seasonally lower following the Easter holiday. In the five weeks leading up to Easter on April 9th, weekly sheep and lamb slaughter followed a seasonally higher pattern. The week of February 20th saw sheep and lamb slaughter at 33,404 head which was near the weekly average that has occurred since the start of the year. Over the next four weeks slaughter levels steadily climbed each week to a peak level of 43,941 head the week of March 20th. In just over a months' time, weekly sheep and lamb slaughter jumped 32% or about 10,500 head, which is similar to the seasonal increase that occurred last year. Since the peak, weekly slaughter levels have moved seasonally lower.

While slaughter levels were climbing, sheep and lamb dressed weights began to fall. The week of February 20th saw dressed weights at 69 pounds then gradually decline to the low-60-pound range, similar to last year's seasonal trend. The rise in weekly slaughter helped pull lambs through the supply chain which drew down dressed weights. While slaughter levels increased, weekly lamb production began to climb from 2.3 billion pounds the last week of February to a peak of 2.8 million pounds the week of March 26th. The peak lamb production occurred about two weeks prior to the Easter holiday, which allowed the wholesale and retail sectors time to position product in anticipation of higher holiday demand.

USDA AMS releases a weekly report called the National Retail Report – Lamb/Veal and it contains information on lamb feature rate at retail stores. The feature rate, as defined by USDA AMS, is “the amount of sampled stores advertising any reported lamb/veal item during the current week, expressed as a percentage of the total sample.” Typically, the feature rate during the first quarter of the year is below 10%. For the two weeks prior to Easter the feature rate rose to 17.9% and 20.3%, respectively, which is similar to prior years. The feature rate for the week after Easter fell to 13.7% which usually occurs as retailers look to feature other items in the meat case.

## CATTLE ON FEED

March 1 placements came in less than 1% lower than a year ago, with emphasis on 700-799 pounds and 800-899 pound animals. Both groups were similar to a year ago. This is likely some cattle moving off of wheat pasture a touch early due to the dry conditions in Kansas, Oklahoma, and Texas. This, in theory, will leave less cattle to be placed in the April-May timeframe and potentially could shift the low for cattle on feed for the year.

Under 600 pound placements came in slightly higher than last year, up about 10,000 head, while 600-699 pound placements were down 20,000 head. Texas took the majority of the increase in the lighter weight categories which could be indicative of the larger feeder cattle imports coming from Mexico. March feeder cattle imports from Mexico outpaced March of 2022 by 28,000 head.

Marketings were also down about 1% from last year, which leaves the U.S. with an on feed number on March 1 of 11.65 million head, 4% down from the prior year. The March report also provides the cattle class type on feed. Heifers on feed still remain at a higher ratio than history at 39%. The total number was down 2% from last year, versus steers down 6%.