

Livestock Monitor

A Newsletter for Extension Staff

Livestock Marketing Information Center

State Extension Services in Cooperation with the USDA

Market Indicators . . .

May 26, 2023

Production			Prices			
Week Ending 5/27/2023	Last	Year Ago	Weekly Average (\$/Cwt)	Last	Week Ago	Year Ago
FI Cattle Slaughter (Thou Hd)	625	641	Live Steer	177.71	175.15	139.07
FI Hog Slaughter (Thou Hd)	2371	2346	Dressed Steer	284.36	280.84	223.99
FI Sheep Slaughter (Thou Hd)	33	34	Choice Beef Cutout	301.36	299.80	264.05
Young Chicken Str. (Mil Hd)	170.0	166.7	USDA Hide/Offal	12.73	12.95	13.41
			OK City Fdr. Str. (6-7 Cwt.)	239.21	221.08	164.87
Slaughter Cattle Live Weight	1354	1341	National Negotiated Hogs	81.67	81.95	111.29
Slaughter Hog Live Weight	290	290	Natl. Net Hog Carcass	83.16	82.15	103.77
Slaughter Lamb/Sheep Live Wt.	128	138	Feeder Pigs (40 Lbs) (\$/Head)	44.18	42.22	70.22
Beef Production (Mil Pounds)	509.6	518.3	Pork Cutout	82.51	83.86	107.33
Pork Production (Mil Pounds)	511.9	507.7	Lamb Cutout	440.43	444.57	583.22
Lamb, Mutton Prod. (Mil Lbs.)	2.1	2.3	Cheddar, 40 lb Block(\$/lb)	1.71	1.75	2.37
Previous 6 Wk. Moving Avg.			Corn, Omaha (\$/Bu)	6.59	6.25	8.01
Total Beef (Mil Lbs)	514.1	538.6	Soybeans, Cntrl IL (\$/Bu)	13.65	13.73	17.77
Total Pork (Mil Lbs)	519.4	517.8				
Total Lamb, Mutton (Mil Lbs)	2.2	2.3				

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

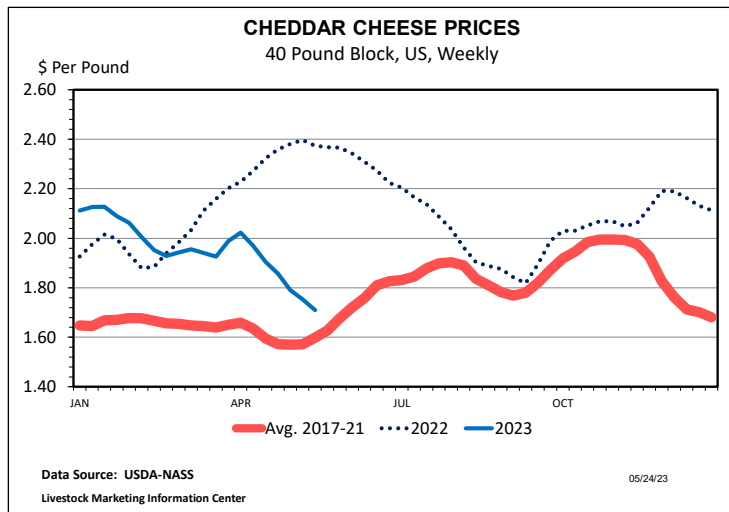
Trends. . . DAIRY PRODUCT PRICES

Dairy product prices overall are lower than a year ago, but most remain above the five-year average. Cheese prices have shown some of the more dramatic price changes since last year when cheese was approaching \$2.40 per pound for blocks and over \$2.50 for barrels. This year, cheese in 40-pound blocks was selling at \$1.71 per pound wholesale two weeks ago and barrels at \$1.64. Barrels are in line with the five-year average while blocks are still higher.

Butter prices have been fairly flat this year and remained above \$2 per pound. Last year, butter was very expensive and was averaging about \$2.70 per pound, compared to this year, which is averaging in the low \$2.40s per pound.

Nonfat dry milk and dry whey prices are substantially lower than a year ago. Nonfat dry milk from about late February to the end of July was over \$1.75 per pound, compared to a five-year average of about a \$1 per pound. This year, nonfat dry milk started the year at \$1.40 per

pound and has slipped to \$1.15 per pound in recent weeks. Dry whey is the only wholesale dairy product below the five-year average and in recent data was \$0.38 per pound compared, to the five-year average of \$0.44 per pound and last year's \$0.68 per pound. This year's dry whey prices have been relatively stable and similar to the five-year average, and it's only been in recent weeks that prices have started to decline below the five-year average. Last year, dry whey prices had a large run-up in the spring, reaching



\$0.80 per pound and then fell precipitously through the remainder of the year.

COLD STORAGE

USDA NASS released its Cold Storage report for April earlier this week detailing available frozen supplies of meat, poultry, eggs, and dairy products. Eggs are slowly building back supplies from rather depressed levels last year. Total eggs were up 11%, and improved levels were shown in all categories except one: egg whites. Egg whites are down 20% from last year. Dairy products listed in cold storage are cheese and butter. Butter inventories are higher relative to April 2022, up 10%. Cheese categories were mostly below a year ago with total cheese down about 1%.

Total poultry in cold storage rose in April and was up 9% from last year. Total chicken, ducks, and turkey climbed 8%, 28%, and 11%, respectively. Turkey categories were split with about half showing more inventory than a year ago and the other half declining. Most of the declines were seen in whole birds. Chicken in cold storage was also mixed across parts. The largest increase was in mature hens, up 48%, and the largest decline was in thigh and thigh quarters, down 27%.

Red meat categories showed a further decline in beef supplies, which are now below the five-year average. Total beef was down 16% from the prior year and saw lower stocks in both boneless beef and bone-in beef cuts. Total pork supplies increased (6%), an unwelcome sign for those hoping for a seasonal summer rally. Hams, ribs, and bellies are some of the largest volume categories in cold storage. Hams are up 20% from April 2022, and bellies are up 39%. Ribs are down about 6%. Veal continues to show very low levels in cold storage, down over 40% from last year. Lamb and mutton are even with last year.

FERTILIZER AND FUEL PRICES

The USDA AMS Illinois Production Cost Report details fertilizer and fuel prices, and since the start of the year, fertilizer and fuel prices have been moving lower. Prices have been elevated for the better part of two years, and although they have been trending lower, they are still well above historic levels. Anhydrous Ammonia prices started the year at \$1,308.33 per ton, which was 12% below prices at the start of 2022. Through mid-May, Anhydrous Ammonia prices have fallen almost 17% to the most recent price reported of \$1,089.58 per ton. Typically, Anhydrous Ammonia prices range from about \$520 to \$575 per ton during the first five months of the year.

Compared to a year ago, Liquid Nitrogen fell almost 17% to the most recent price reported of \$535.75 per ton. From the start of the year, Liquid Nitrogen has fallen 13%. Urea is down 31% from last year and 8% lower than the first of the year to \$653 per ton. Urea prices still need to move lower to get closer to more typical prices, which are usually around \$400 per ton for this time of year. Prices for DAP (Diammonium Phosphate 18%N 46%P) and MAP (Monoammonium Phosphate 11%N 52%P) are both down 14% and 21%, respectively, from last year to \$822.86 and \$796.67 per ton. From the start of the year, DAP and MAP prices have moved lower by 1% and almost 7%, respectively. Typically, DAP and MAP prices for this time of year are around \$500 per ton. Potash has moved 14% lower since the start of the year to the most recent price of \$613 per ton, a 29% decline from last year. Usually, at this time of year, Potash prices are in the upper \$300 per ton range. Diesel prices have fallen 29% from last year and 8% since the start of the year to \$3.27 per gallon.

As the planting and growing season are well under way, lower fertilizer and fuel prices are welcomed for corn and soybean producers. Compared to historic prices, fertilizer and fuel prices are still elevated, which is creating challenges for producers to manage input costs as corn and soybean prices have tracked lower in recent weeks.