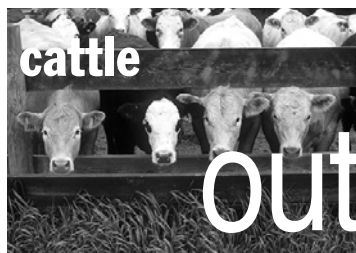


2011 Was Fantastic Year For Exports



**GLENN GRIMES AND
RON PLAIN**

Agricultural Economists,
University of Missouri

outlook

The February live cattle futures contract settled at \$128.60/cwt today, up \$4.65 compared to last Friday and the highest close ever for the nearby live cattle futures contract. The April contract closed at \$130.90/cwt, up \$4.10 for the week. June fed cattle settled at \$128.47 and August at \$130.20/cwt.

Thanks in large part to a weak dollar, 2011 was a fantastic year for U.S. meat exports. Beef, pork, chicken, and turkey exports were each record high. In total, the U.S. exported over 15 billion pounds of meat last year, up 10 percent from the 2008 record.

The U.S. exported 2.8 billion pounds of beef in 2011, 21.2 percent more than the year before and 10.7 percent above the old record set in 2003, the last year we were BSE free. Beef exports exceeded imports by 732 million pounds. Through December, the U.S. has exported more beef than we imported for 16 consecutive months. Last year, beef exports equaled 10.64 percent of U.S. beef production and imports equaled 7.85 percent of our production.

In 2011, the four biggest foreign customers of U.S. beef were Canada, Mexico, Japan and South Korea, respectively. Together they purchased 65 percent of U.S. beef exports. The biggest growth market was Canada which bought 110 million pounds more beef than in 2010. The value of beef exports, \$4.7 billion, was up \$1.2 billion (34 percent) compared to

2010. We exported a record \$139 worth of beef for each head of cattle slaughtered in 2011.

U.S. beef imports during 2011 were down 241 million pounds (10.5 percent) compared to 2010 and at the lowest level since 1997. The three biggest suppliers of beef to the U.S. are Canada, New Zealand and Australia, respectively.

Beef cutout value was higher this week. On Friday morning, the choice boxed beef carcass cutout value was \$190.22/cwt, up \$3.81 from last week. The select carcass cutout was up \$3.60 from the previous Friday to \$185.43 per hundred pounds of carcass weight.

Fed cattle prices were steady this week with light volume. Through Thursday, the 5-area average price for slaughter steers sold on a live weight basis was \$122.37/cwt, down 88 cents from last week, but \$15.38/cwt above the same week last year. Steer prices on a dressed basis averaged \$195.84/cwt this week, up 84 cents from a year ago.

This week's cattle slaughter totaled 616,000 head, up 2.3 percent from the week before but down 5.8 percent compared to a year ago. The average dressed weight for slaughter steers for the week ending on February 4 was 860 pounds, up 5 pounds from the week before and up 15 pounds from a year earlier.

Oklahoma City prices were lower on calves but steady to \$4 higher on feeder cattle with the ranges for medium and large frame #1 steers: 400-450# \$199.50-\$205, 450-500# \$187-\$197, 500-550# \$179-\$187.50, 550-600# \$177-\$189, 600-650# \$170-\$181, 650-700# \$155.50-\$166, 700-750# \$154-\$157.50, 750-800# \$150-\$158.75, 800-900# \$137-\$152.50, and 900-1000# \$136.50-\$138.25/cwt. Δ

GLENN GRIMES AND RON PLAIN: Agricultural Economists, University of Missouri

AGROTAIN[®]

Link Directly To: **AGROTAIN**



Link Directly To: **CASH RIVER**

syngenta

Link Directly To: **SYNGENTA**