

Australia Accounts For Most Beef Import Increases



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Beef and veal exports for January 2009 were up 8.2 percent from a year earlier. However, beef and veal imports grew more than exports. Therefore, net beef imports as a percent of production grew from 4.3 percent in January 2008 to 6.1 percent in January 2009.

Our exports of beef to Mexico in January 2009 were down 9.9 percent, to Canada down 29.9 percent, to Japan up 20.3 percent, to Taiwan down 37.6 percent, to South Korea up 3,297.2 percent, to Vietnam up 84.1 percent, to Hong Kong down 49.7 percent, to the Bahamas up 24.6 percent and to other countries up 9.7 percent from a year earlier.

Nearly 95 percent of the increase in beef imports in January 2009 from a year earlier came from Canada, Australia and New Zealand with nearly 55 percent of the increase from Australia.

Live cattle imports in January were down 17.1 percent with Mexican feeder cattle imports up 67.3 percent, but live cattle imports from Canada were down 33 percent from 12 months earlier.

Feeder steers and heifers at Oklahoma City this week were \$1-3 per cwt higher and stockers and calves were \$2-4 per cwt higher this last week.

The prices by weight group of medium- and large-frame Number One steers were: 400-500 pounds \$113-117 per cwt, 500-600 pounds \$104-115.50 per cwt, 600-700 pounds \$95-109.25 per cwt, 700-800 pounds \$89-99 per cwt and 800-1,000 pounds \$79.50-90.50 per cwt.

The number of cattle on feed March 1 was down 4.7 percent based on trade estimates. Placements on feed during February were estimated to be 1.3 percent larger than in Febru-

ary 2008. Marketings of fed cattle during February are estimated to be down 5.3 percent from a year earlier. Because of leap year, February of 2008 had one more week day than February this year. Therefore, marketings per day are estimated to be near a year earlier and placements per day are larger than last year on a daily basis.

Wholesale beef prices this Friday morning showed Choice beef at \$132.93 per cwt, down \$3.67 per cwt from seven days earlier. Select beef at \$132.75 per cwt was down \$2.70 per cwt from a week earlier on Friday morning.

The weighted average live fed cattle price for the five-market area through Thursday at \$81.91 per cwt was up \$1.22 per cwt from a week earlier. The weighted average negotiated carcass price for the five-market area was \$132.45 per cwt, up \$2.92 per cwt from seven days earlier.

Slaughter this week under Federal Inspection was estimated at 615 thousand head, down 4.5 percent from a year earlier.

Choice retail beef prices in February were up 19 percent from January and up 4.3 percent from February 2008. Retail beef prices for January and February were 4.9 percent above 12 months earlier. All the increase in beef price, plus some, was captured by marketers with the margin for January and February up about 15 percent. Fed cattle prices were 10.2 percent below a year earlier in January and February.

The March 1 Cattle on Feed report came in close to trade expectations. The number on feed was down 5.3 percent the trade was expecting a 4.7 percent decline. The placements on feed during February trade estimate was for an increase of 1.3 percent, the USDA estimate showed placements down 2.6 percent and marketings during February down 5.3 percent, the same as the trade estimate. If the trade was using the trade estimates, the report will likely be a little friendly with some increases in futures price on Monday for the live cattle contracts. Δ



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