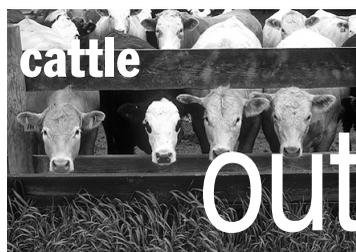


Australia Is Major U.S. Beef Importer



**GLENN GRIMES AND
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Beef exports during March were up 7.1 percent from February, but down 20.7 percent compared to March 2011. During the first quarter of 2012, beef exports are down 11.8 percent and beef imports are up 26.2 percent. South Korea accounts for most of the reduction in exports and Australia accounts for the majority of the increase in beef imports. During the quarter, beef imports exceeded exports by 23.8 million pounds.

USDA says 71 percent of corn acreage had been planted by May 6. That compares to an average of 47 percent planted on that date and 32 percent planted on May 6, 2011. USDA is predicting that 2012 corn acreage will be the most since 1937 and yield will be a record 166 bushels per acre. They expect corn prices for the 2012-13 marketing year to average about \$1.50 lower per bushel than the year before. The futures market seems to agree with December corn futures ending the week a dollar under May corn futures.

USDA is forecasting 2012 beef production will be 3.8 percent lower than last year and predict 2013 beef production will be 2.5 percent lower than this year. They expect broiler production to be down 1.6 percent this year, but up 2.5 percent in 2013. In total, red meat and poultry production this year is expected to be down 1 percent from 2011 with 2013 production up 1 percent from this year.

The beef cutout value was lower this week. On

Friday morning, the choice boxed beef carcass cutout value was \$188.93/cwt, down \$1.27 from the previous Friday. The select carcass cutout was down \$3.27 from the previous week to \$183.04/cwt of carcass weight.

Fed cattle prices were slightly higher this week. Through Thursday, the 5-area average price for slaughter steers sold on a live weight basis was \$120.88/cwt, up 72 cents from last week and up \$7.71/cwt from the same week last year. Steer prices on a dressed basis averaged \$192.16/cwt this week, up \$1.26 from a week ago, and up \$9.01 from a year ago. Steer dressed prices are \$3.23/cwt above the choice cutout value.

This week's cattle slaughter totaled 639,000 head, up 2.6 percent from the week before, but down 1.7 percent from a year ago. The average dressed weight for slaughter steers for the week ending on April 28 was 828 pounds, down 7 pounds from the week before, up 13 pounds from a year ago, and above a year earlier for the 16th consecutive week.

Oklahoma City feeder cattle prices were mostly \$1 to \$3 higher this week with the ranges for medium and large frame #1 steers: 400-450# \$196-\$197, 450-500# \$191.50-\$201, 500-550# 179-\$187, 550-600# \$173-\$182.50, 600-650# \$162.50-\$176, 650-700# \$152.85-\$161.50, 700-750# \$146.50-\$156.75, 750-800# \$144-\$152.35, 800-900# \$133.50-\$145.75, and 900-1000# \$129.75-\$135.50/cwt.

Cattle futures ended the week lower. The June live cattle contract settled at \$115.15, down 22 cents from the previous Friday. The August contract lost 80 cents this week to end at \$117.70. October live cattle ended the week at \$122.60/cwt. Δ

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