

Beef Exports Reach 8.5 Percent Of U.S. Production



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Beef exports have exceeded imports only five times since 2003. During October, for the second month in a row, the U.S. exported more beef than we imported. The U.S. exported 214 million pounds of beef during October, up 16.6 percent compared to 12 months earlier. Through October, beef exports are up 16.2 percent compared to the first ten months of 2009. South Korea, Japan, Hong Kong and Taiwan have been the big growth markets this year.

Beef imports during October totaled 164 million pounds, down 16.1 percent compared to October 2009. Year-to-date imports are down 10.9 percent. Australia, Brazil, New Zealand and Uruguay are the suppliers with the biggest decline.

Thru October, we have exported 8.5 percent of U.S. beef production and imports have equaled 9.3 percent production.

The average price of choice beef in grocery stores last month was \$4.484 per pound, the highest since June. That was up 1.1 cents from October and 19.2 cents higher than in November 2009. The beef supply will be very tight next year. If the economy continues to recover, retail beef prices should be high.

The boxed beef cutout value held steady this week. On Friday morning the choice boxed beef carcass cutout value was \$1.6294/pound, down 0.55 cents for the week. The select cutout

was up 0.15 cents from the previous Friday to \$1.5324 per pound.

Fed cattle prices were lower this week. The 5-area daily weighted average price for slaughter steers sold through Thursday of this week on a live weight basis was \$99.21/cwt, down \$1.64 from a week earlier. Steers sold on a dressed weight basis this week averaged \$159.19/cwt, \$1.66 lower than the week before. This week last year slaughter steer prices averaged \$80.29/cwt live and \$127.50/cwt dressed.

This week's cattle slaughter totaled 659,000 head, down 2.2 percent from the week before but up 4.9 percent compared to the same week last year. This was the 23rd consecutive week with cattle slaughter above the year-earlier level.

Steer carcass weights averaged 852 pounds during the week ending December 4. That was down 4 pounds from the week before and 1 pound lighter than a year ago.

Cash bids for feeder cattle around the country this week were mostly \$2 lower to \$2 higher with more locations up than down. Oklahoma City prices were steady to \$1 higher with price ranges for medium and large frame #1 steers were: 400-450# \$145-\$158, 450-500# \$141-\$151.50, 500-550# \$133-\$143, 550-600# \$123-\$133, 600-650# \$117-\$126.50, 650-700# \$119.50-\$125.50, 700-750# \$118-\$122.25, 750-800# 117-\$119, and 800-1000# \$112.50-\$118.75/cwt.

The December fed cattle futures contract ended the week at \$102.17/cwt, up \$1.22 from a week ago. The February contract closed out the week at \$104.50/cwt and April settled at \$108.15/cwt. All live cattle futures contracts are now above \$100/cwt with February and April 2012 above \$110/cwt. Δ

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