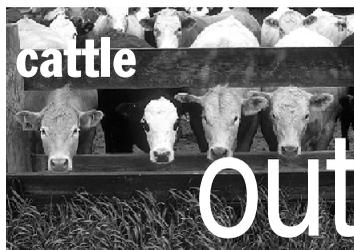


Beef Exports Up, Imports Down In May



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Beef exports in May were up 26.8 percent compared to a year earlier. Our two biggest foreign customers, Mexico and Canada purchased less U.S. beef in May, but Japan, South Korea, Vietnam and Egypt purchased a lot more than in May 2009. In total, 9.7 percent of U.S. May beef production was exported.

Beef imports were down 2.2 percent in May. Australia and Brazil shipped less to us while Canada and New Zealand sent us more beef than in May 2009. May beef imports equaled 11.1 percent of U.S. production.

The overall trend in beef trade is quite encouraging. For the first five months of the year, beef imports were down 16.3 percent and beef exports were up 26.3 percent.

Cattle imports from Mexico and Canada were both down from April but up compared to May 2009.

The boxed beef cutout declined just a bit this week. On Friday morning, the choice boxed beef carcass cutout value was \$1.5421/pound, down 0.27 cents for the week, but 17.74 cents higher than last year. The select cutout was down 0.08 cents from the previous Friday to \$1.4465 per pound.

Fed cattle prices rose for the third week in a row. The 5-area daily weighted average price for slaughter steers sold through Thursday of this

week on a live weight basis was \$93.41/cwt, up \$1.58 from a week earlier and \$10.41 higher than a year ago. Steers sold on a dressed weight basis this week averaged \$150.20/cwt, \$1.96 higher than the week before and \$20.76 higher than last year.

This week's cattle slaughter totaled 666,000 head, up 10.6 percent from the previous week (which was low because of Independence Day) and up 5.0 percent compared to the same week last year. Year-to-date, beef production is down 1 percent.

Steer carcass weights averaged 827 pounds during the week ending July 3. That was up 3 pounds from the week before, but 13 pounds lighter than a year ago. This was the 32nd consecutive week with steer weights below year earlier levels.

Cash bids for feeder cattle this week were mostly in the range of \$2 lower to \$2 higher. Because of the Independence Day holiday Oklahoma City did not have a sale this week. The price ranges at Oklahoma City for medium and large frame steers were: 400-450# \$137.50-\$146, 450-500# \$133-\$139, 500-550# \$132-\$138.50, 550-600# \$120-\$128, 600-650# \$112-\$124, 650-700# \$108-\$119.50, 700-750# \$112-\$116.50, 750-800# \$111.25-\$115.50, and 800-1000# \$98.50-\$111/cwt.

The August fed cattle futures contract ended the week at \$92.27/cwt, up \$2.07 compared to the previous Friday. The October contract gained \$2.22 this week to end at \$93.62/cwt. The December contract settled at \$95.65 and February ended the week at \$96.83.

Feeder cattle futures ended the week slightly lower as corn prices moved higher. Δ

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