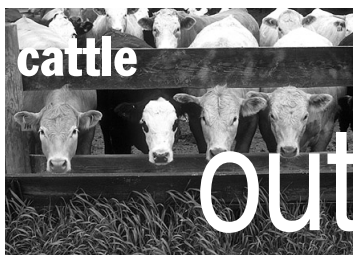


# Choice Carcass Cutout Value Higher Again



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

**U**SDA says 72 percent of the corn crop was in good or excellent condition on May 27. That compares to 77 percent good or excellent the week before and 63 percent a year ago. The Crop Progress report says 89 percent of the soybean crop was planted by May 27 compared to an average of only 61 percent on that date. Nationally, 22 percent of pastures were rated poor or very poor in late May. That compares to 19 percent poor or very poor the week before and 21 percent a year ago.

This week's news for the U.S. economy was not good. On Thursday the government lowered its estimate of first quarter growth from 2.2 percent to 1.9 percent. Today they said the unemployment rate increased to 8.2 percent in May from 8.1 percent in April. The economy added only 69,000 new jobs in May, the fewest in a year.

For the second week in a row, the choice carcass cutout value was higher and the select cutout was lower. On Friday morning, the choice boxed beef carcass cutout value was \$197.35/cwt, up \$2.64 from the previous Friday. The select carcass cutout was down 27 cents from the previous week to \$185.82/cwt of carcass weight. The choice-select spread is now \$11.52/cwt, the most since early January.

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 \$121.90/cwt, up 63 cents from last week and up \$17.02/cwt from the same week last year. Steer prices on a dressed basis averaged \$194.78/cwt this week, up \$1.28 from a week ago and up \$24.57 from a year ago.

This week's cattle slaughter totaled 596,000 head, down 6.3 percent from the week before and down 2.5 percent from a year ago. The average dressed weight for steers for the week ending on May 19 was 841 pounds, up 6 pounds from the week before, up 22 pounds from a year ago, and above a year earlier for the 19th week in a row. Year-to-date beef production is down 2.9 percent.

Because of Monday's holiday, Oklahoma City didn't have a feeder cattle auction this week. Missouri feeder cattle prices were mostly \$1 to \$8 higher this week with the ranges for medium and large frame #1 steers: 400-450# \$180-\$225, 450-500# \$175.25-\$214, 500-550# \$170-\$205, 550-600# \$162-\$195, 600-650# \$152-\$186.50, 650-700# \$149-\$173, 700-750# \$148.25-\$163.25, 750-800# \$153.50-\$162, 800-900# \$141-\$156, and 900-1000# \$135-150.25/cwt.

Fed cattle futures ended the week slightly higher. The June live cattle contract settled at \$117.70, up 5 cents from the previous Friday. The August contract gained 50 cents this week to end at \$119.60. October ended the week at \$123.95 and December at \$127.30/cwt.

The August feeder cattle contract settled at \$157.37/cwt, down \$1.13 from the previous Friday. September feeder cattle lost 80 cents this week to close at \$158.67. October settled at \$159.75/cwt. Δ

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