

Drought Continues To Take It's Toll On Crops And Pastures



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Hot, dry weather continues over much of the country. USDA says only 56 percent of the corn crop was in good or excellent condition on June 24. That compares to 63 percent good or excellent the week before, and 68 percent a year ago. The Crop Progress report says 53 percent of the soybean crop was rated good or excellent on June 24 compared to 56 percent a week earlier and 65 percent a year ago. Nationally, 34 percent of pastures were rated poor or very poor on June 24. That compares to 28 percent poor or very poor the week before and 26 percent a year ago.

The prospect of lower yields per acre is being partially offset by more acres. USDA's June Acreage report says we will plant 325.825 million acres to the 18 principal field crops, up 10.8 million acres from last year. The June acreage report says farmers will plant 96.405 million acres of corn this year. That is 0.6 percent more than the March forecast, 4.9 percent more than last year, and the most corn acres since 1937. They are forecasting that harvested corn acres will be up 5.8 percent from last year. USDA also raised their forecast of 2012 soybean acres by 2.9 percent and wheat acres by 0.2 percent in the Acreage report.

Corn futures traded sharply higher this week with the July corn futures contract ending the week at \$6.725 per bushel, up 76 cents from the week before. December corn gained 81 cents

this week to settle at \$6.345/bushel.

The beef carcass cutout value was lower again this week. On Friday morning, the choice boxed beef carcass cutout value was \$194.69/cwt, down \$2.21 from the previous Friday. The select carcass cutout was down \$1.98 from the previous week to \$178.46/cwt of carcass weight. The choice-select spread continues to be wide at \$16.24/cwt.

Fed cattle prices were also lower this week.

Through Thursday, the 5-area average price for slaughter steers sold on a live weight basis was \$116.49/cwt, down \$1.31 from last week, but up \$6.17/cwt from the same week last year. Steer prices on a dressed basis averaged \$184.15/cwt this week, down \$3.72 from a week ago, but up \$7.08 from a year ago.

This week's cattle slaughter totaled 653,000 head, up 0.6 percent from the week before, but down 2.5 percent from a year ago. The average steer dressed weight for the week ending on June 16 was 852 pounds, up 4 pounds from the week before, up 20 pounds from a year ago, and above a year earlier for the 23rd week in a row.

Oklahoma City feeder cattle prices this week were mostly \$2 to \$4 lower with medium and large frame #1 steers selling for: 400-450# \$193, 450-500# \$170-\$190, 500-550# \$169-\$176, 550-600# \$150-\$188.75, 600-650# \$153-\$172, 650-700# \$143.50-\$157, 700-750# \$144-\$154, 750-800# \$138.50-\$149, 800-900# \$135-\$146, and 900-1000# \$127-141/cwt.

The June live cattle contract settled at \$116.55, down 35 cents from the previous Friday. The August contract settled at \$120.45/cwt, up \$3.55. October ended the week at \$124.40 and December at \$127.40/cwt. Δ

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