

Exports Dwarf Imports For Eighth Consecutive Month



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US. beef exports during April were up 26 percent compared to a year earlier. Beef imports were down 10 percent in April. During April the U.S. exported 10.9 percent of our beef production while imports equaled 9.1 percent of production. This was the eighth consecutive month with export tonnage greater than imports. For the first third of 2011, beef exports are up 30.6 percent and imports are down 16.9 percent. The big growth market thus far in 2011 has been South Korea which has purchased 101 million pounds (157 percent) more than in January-April 2010. Exports to Japan are up by 47 million pound, shipments to Canada up 20 million pounds, exports to Hong Kong are up 29 million pounds.

Cattle imports from Mexico during April were up 10 percent from a year earlier. Imports of cattle from Canada were down 45 percent.

USDA's June production and price forecast is for fewer corn acres and a higher price than their May forecast. USDA cut 1.5 million acres from their planting estimate, 305 million bushels from their corn production forecast, and raised their price estimate on this fall's corn crop by 50 cents to \$6 to \$7 per bushel. They also predicted a 100 million bushel reduction in feed use, and lowered their estimates of 2012 production of beef, pork, broilers and turkeys. They are now forecasting 2012 beef production to be 4.8 percent below this year and 4.9 per-

cent lower than in 2010.

Fed cattle prices were higher following six weeks of decline. The 5-area daily weighted average price for slaughter steers sold through Thursday of this week on a live weight basis was \$106.20/cwt, up \$1.32 from last week. Steers sold on a dressed weight basis this week averaged \$173.54/cwt, \$3.33 higher than the week before.

Boxed beef prices ended the week lower. Friday morning the choice boxed beef carcass cutout value was \$171.41/cwt, down \$6.32 from last week. The select carcass cutout was down \$6.79 from the previous Friday to \$165.23 per hundred pounds of carcass weight.

This week's cattle slaughter totaled 681,000 head, up 10.4 percent from the holiday week before and up 3.3 percent compared to the same week last year. The average steer dressed weight for the week ending May 28 was 820 pounds, up 1 pound from the week before and 10 pounds heavier than for the same week in 2010.

Cash bids for feeder cattle around the country this week generally ranged from steady to \$4 lower than last week with a few states reporting higher prices for heavy weight cattle. Oklahoma City prices this week were steady to steady to \$5 higher with price ranges for medium and large frame #1 steers: 400-450# \$148-\$150, 450-500# \$141-\$147, 500-550# \$136.50-\$148, 550-600# \$131-\$137.50, 600-650# \$128.50-\$132, 650-700# \$119-\$128.50, 700-750# \$125-\$135, 750-800# \$120-\$131.25, 800-900# \$118-\$124 and 900-1000# \$111-\$119/cwt.

The June fed cattle futures contract ended the week at \$102.72/cwt, down \$1.45 from last week's close. August ended the week at \$103.47/cwt, the October contract closed at \$110.15. △

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