

# Exports Exceed Imports Last Six Months



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**B**eef trade continues to be very favorable. Beef exports during February were 25.4 percent higher than 12 months earlier and beef imports were 16.5 percent lower. The big growth markets for beef exports were South Korea, Japan and Canada. Canada, Australia and Brazil account for the drop in beef imports. During the first two months of 2011, the U.S. exported 9.4 percent of U.S. beef production while imports equaled 6.9 percent of production. Exports have exceeded imports during each of the last six months. A stronger world economy and a weakening dollar are two main causes of the trade gains. The trade-weighted value of the dollar was down 4.6 percent in February compared to a year earlier.

The year-over-year inflation rate for March was 2.7 percent, the highest since December 2009. Rising inflation poses a threat to economic growth.

The 5-area daily weighted average price for slaughter steers sold through Thursday of this week on a live weight basis was \$119.23/cwt, down \$3.97 from last week's record. Steers sold on a dressed weight basis this week averaged \$190.15/cwt, \$6.37 lower than the week before. This week last year, slaughter steer prices averaged \$99.53/cwt live and \$159.26/cwt dressed.

On Friday morning the choice boxed beef carcass cutout value was \$187.09/cwt, down \$3.89 from last week's record. The select carcass cutout was down \$3.46 from the previous Friday to \$184.24 per hundred pounds of carcass weight.

This week's cattle slaughter totaled 640,000 head, up 1.4 percent from the week before, but down 0.5 percent compared to the same week last year. Steer carcass weights averaged 821 pounds during the week ending April 2. That was down 6 pounds from the week before, but 8 pounds heavier than a year ago. Steers weights have been above year-ago for the last 17 weeks.

Cash bids for feeder cattle around the country this week were mostly steady to \$4 lower with a few reports as much as \$10 lower. Oklahoma City prices were \$2 to \$4 lower on stocker cattle and \$2 to \$5 lower on feeder cattle than the previous week with price ranges for medium and large frame #1 steers: 400-450# \$174-\$179.50, 450-500# \$163, 500-550# \$151-\$159, 550-600# \$142.25-\$151, 600-650# \$140-\$149, 650-700# \$135.25-\$139.50, 700-750# \$132.50-\$138, 750-800# \$128-\$137.25, 800-900# \$122.50-\$130.75 and 900-1000# \$119-\$123/cwt.

The April fed cattle futures contract ended the week at \$117.40/cwt, down \$1.42 from a week ago. The June contract closed out the week at \$115.30/cwt. The August contract settled at \$117.25 and October contract ended the week at \$121.825/cwt.

May corn futures settled at \$7.42 on Friday, down 26 cents from 7 days earlier. September corn ended the week at \$7.014/bushel. Δ

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