

Exports To Japan Rise In March



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Corn planting is falling farther behind normal. As of May 5, 12 percent of corn acres were planted compared to 69 percent a year ago and a 5-year average of 47 percent planted by May 5.

USDA released their forecast of 2013 crop production and prices today. They are forecasting a record 14.14 billion bushel corn harvest with an average farm price of \$4.70/bushel.

Beef exports were down 3.1 percent in March and imports were down 3.0 percent compared to a year earlier. Exports to Japan were up 70 percent in March, but beef shipments to Mexico and South Korea were down and shipments to Russia were zero due to a dispute over rac-topamine use. First quarter beef exports were down a slight 0.2 percent while imports were up 1.4 percent. March beef exports equaled 9.25 percent of U.S. production. Beef imports equaled 10.62 percent of production.

During March, the U.S. imported 115,288 cattle from Canada and 110,624 cattle from Mexico. Cattle imports were 15.9 percent fewer than a year ago.

Retail demand for choice beef was up slightly in March, but export demand for U.S. beef was down. These opposing forces combined to produce a slightly lower demand for slaughter cattle. Packer demand for fed cattle has been on a slow decline for 14 months.

The choice beef cutout value reached \$200/cwt for the first time ever last week and continued to climb. This morning, the choice boxed beef carcass cutout value was a record \$205.55/cwt, up \$4.70 from the previous Friday and up \$16.62 from a year ago. The select carcass cutout is at \$191.11/cwt, up 84 cents for the week. The choice-select price spread is more than \$14/cwt, the most since December.

Fed cattle prices were lower this week. Through Thursday, the 5-area average price for slaughter steers sold on a live weight basis was \$126.22/cwt, down \$2.80 from last week, but up \$5.34/cwt from the same week last year. Steer prices on a dressed basis averaged \$202.74/cwt this week, down \$3.81 from a week ago, but up \$10.61 from a year ago.

This week's cattle slaughter totaled 631,000 head, up 1.1 percent from last week, but down 1.6 percent from a year ago. The average steer dressed weight for the week ending on April 27 was 840 pounds, down 4 pounds from the week before, but up 12 pounds from a year ago. This was the 68th consecutive week with average steer weight above the year-earlier level.

Oklahoma City feeder cattle prices were \$2 to \$4 lower this week with prices for medium and large frame #1 steers: 450-500# \$164, 500-550# \$149-\$169, 550-600# \$136-\$152.50, 600-650# \$131-\$152.75, 650-700# \$128-\$147, 700-750# \$131.75-\$143.50, 750-800# \$128-\$137, 800-900# \$119.50-\$129, and 900-1000# \$114.75-\$123/cwt.

The June live cattle futures contract closed at \$120.45/cwt today, down \$1.37 from last week's close. The August fed cattle contract lost \$1.20 from last Friday to settle at \$120.77/cwt. October fed cattle settled at \$123.92/cwt. Δ

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