

Exports Higher Than Any Year Since 2003



**GLENN GRIMES AND
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For the third month in a row, November U.S. beef exports were larger than U.S. beef imports. During November, we exported 216 million pounds of beef and imported only 131 million pounds. U.S. beef exports during November were up 24.9 percent compared to November 2009 with each of the top 12 foreign destinations, except Vietnam, buying more U.S. beef than in November 2009. Beef imports were down 22.7 percent in November.

Thru November, U.S. beef exports were up by 311.7 million pounds (17.7 percent) and imports are down by 285.3 million pounds (11.7 percent) compared to the first 11 months of 2009. The U.S. exported more beef during the first 11 months of 2010 than for any calendar year since 2003.

January-November cattle imports from Mexico were up 30.9 percent compared to a year earlier with imports from Canada up 2.8 percent. When December trade data become available, it appears that 2010 imports of cattle will be close to 2008 levels.

Fed cattle prices were higher this week. The 5-area daily weighted average price for slaughter steers sold through Thursday of this week on a live weight basis was \$107.74/cwt, up \$2.29 from a week earlier. Steers sold on a dressed weight basis this week averaged \$170.05/cwt, \$1.92 higher than the week before. This week

last year slaughter steer prices averaged \$84.97/cwt live and \$136.91/cwt dressed.

The futures market expects fed cattle prices to continue to move higher and to record levels. The February fed cattle futures contract ended the week at \$106.37/cwt, up \$3.00 from a week ago. The April contracted closed out the week at \$113.75/cwt and June settled at \$112.30/cwt. December fed cattle futures ended the week at \$116.60/cwt.

The boxed beef cutout value moved higher this week. On Friday morning the choice boxed beef carcass cutout value was \$169.19/cwt, up \$3.32 for the week. The select cutout was up \$5.88/cwt from the previous Friday to \$166.02 per hundred pounds of carcass weight.

This week's cattle slaughter totaled 628,000 head, down 1.3 percent from the week before and down 4.3 percent compared to the same week last year. This week and last week are the only two weeks with cattle slaughter below the year-ago level since the week ending on July 10, 2010.

Steer carcass weights averaged 856 pounds during the week ending January 1. That was up 1 pound from the week before and 13 pounds heavier than a year ago.

Cash bids for feeder cattle around the country this week were mostly steady to \$5 higher. Oklahoma City prices were steady to \$2 higher than the previous week with price ranges for medium and large frame #1 steers were: 400-450# \$148-\$166, 450-500# \$138.50-\$150, 500-550# \$131-\$144, 550-600# \$122-\$134.50, 600-650# \$123-\$128.50, 650-700# \$123.50-\$127.50, 700-750# \$122-\$126.50, 750-800# \$118.60-\$124, and 800-1000# \$112-\$124.50/cwt. Δ

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