

Fed Cattle Prices Higher Last Week



**GLENN GRIMES AND
RON PLAIN**
Agricultural Economists,
University of Missouri

USDA's semi-year cattle inventory survey said the number of feeder cattle in the U.S. was down 2.2 percent at midyear. The number in feed yards was up 0.8 percent leaving the supply of feeders outside feed yards down 3.3 percent compared to July 1, 2011. Feed yards will continue to struggle to keep pens full; but with record corn prices, they are not likely to chase feeder cattle too hard.

Nationally, 57 percent of pastures were rated poor or very poor on July 29. That compares to 55 percent poor or very poor the week before and 36 percent a year ago. Missouri has the lowest condition rating with 98 percent poor or very poor, 2 percent fair, and 0 percent of Missouri pastures rated good or excellent.

USDA estimates only 24 percent of the corn crop was in good or excellent condition on July 29. That compares to 26 percent good or excellent the week before and 62 percent a year ago. The Crop Progress report says 29 percent of the soybean crop was rated good or excellent on July 29 compared to 31 percent a week earlier and 60 percent a year ago. Next Friday USDA will release their August production and price update.

Corn prices climbed back above \$8 to end the week. The September corn futures contract ended this week at \$8.10/bu, up 11 cents from the week before. December corn ended the week at \$8.075/bu, up 14 cents for the week. August soybean meal ended the week at \$531.60/ton,

up \$3.90 from the previous Friday.

After six weeks of decline, the beef carcass cutout value was higher this week. On Friday morning, the choice boxed beef carcass cutout value was \$178.69/cwt, up \$1.52 from the previous Friday. The select carcass cutout was up \$1.63 from the previous week to \$171.95/cwt of carcass weight.

Fed cattle prices were higher this week. Through Thursday, the 5-area average price for slaughter steers sold on a live weight basis was \$117.58/cwt, up \$3.65 from last week and up \$6.84/cwt from the same week last year. Steer prices on a dressed basis averaged \$184.94/cwt this week, up \$4.81 from a week ago and up \$9.29/cwt from a year ago.

This week's cattle slaughter totaled 647,000 head, up 1.6 percent from last week, but down 2.0 percent from a year ago. The average steer dressed weight for the week ending on July 21 was 859 pounds, down 1 pound from the week before, up 12 pounds from a year ago, and above a year earlier for the 28th week in a row.

Oklahoma City feeder cattle prices were steady to \$4 higher this week with prices for medium and large frame #1 steers: 450-500# \$144, 500-550# \$132-\$150, 550-600# \$133-\$153, 600-650# \$128-\$144.50, 650-700# \$130-\$141.50, 700-750# \$137-\$140, 750-800# \$133.50-\$141, 800-900# \$127-\$138, and 900-1000# \$131-133/cwt.

The August live cattle futures contract settled at \$119.975/cwt, up 38 cents from the previous Friday. The October contract settled at \$124.375/cwt, down 89 cents. December closed at \$127.275/cwt, off \$1.14 from the previous Friday.

August feeder cattle futures ended the week at \$138.95/cwt, \$1.20 higher than last Friday. October feeders ended the week at \$140.125/cwt.

△

GLENN GRIMES AND RON PLAIN: Agricultural Economists, University of Missouri



Link Directly To: **RICETEC**