

Fed Cattle Prices Mixed Last Week



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The U.S. unemployment rate held steady at 7.6 percent in June. The number of jobs increased, but there was a trade-off between part-time and full-time jobs. The seasonally adjusted number of people working part-time increased by 360,000 in June; the number working full-time jobs declined by 240,000.

Crop growing conditions are much better than a year ago. As of June 30, 67 percent of corn acres were rated in good or excellent condition. That is up 2 percentage points from the week before and up 19 points from a year ago. 25 percent of U.S. pastures were rated in poor or very poor condition on June 30, down from 43 percent poor or very poor a year ago.

Fed cattle prices were mixed this week. Through Thursday, the 5-area average price for slaughter steers sold on a live weight basis was \$119.58/cwt, down \$1.24 from last week, but up \$2.53 from the same week last year. Steer prices on a dressed basis averaged \$192.59/cwt this week, up 59 cents from a week ago and up \$4.92 from a year ago.

This morning, the boxed beef cutout value for choice carcasses was \$196.63/cwt, down 89 cents from the previous Friday, but up \$2.83 from a year ago. This was the sixth consecutive week with lower choice cutout. The select carcass cutout is at \$188.02/cwt, up 76 cents for

the week. The choice-select price spread dropped \$1.65 this week to \$8.61/cwt, the lowest since April.

This week's cattle slaughter totaled 559,000 head, down 14.3 percent from last week (due to the Independence Day Holiday) and down 2.8 percent from a year ago. The average steer dressed weight for the week ending on June 22 was 854 pounds, up 1 pound from the week before and up 1 pound from a year ago. Year-to-date cattle slaughter is down 1.5 percent; beef production is down 1.0 percent.

Oklahoma City feeder cattle auction prices this week were \$3 to \$5 higher with prices for medium and large frame #1 steers: 450-500# \$174, 500-550# \$163-\$175.50, 550-600# \$154.25-\$170.50, 600-650# \$138.50-\$161, 650-700# \$139.50-\$154, 700-750# \$136.50-\$149.25, 750-800# \$141-\$149, 800-900# \$133.75-\$146.75, and 900-1000# \$122.50-\$131/cwt.

The August live cattle futures contract closed at \$121.95/cwt today, down 7 cents from last week's close. The October fed cattle contract gained 58 cents from last Friday to settle at \$126.25/cwt. December ended the week at \$128.10/cwt.

August feeder cattle futures settled at \$151.80/cwt, up \$2.35 for the week. The September contract gained \$2.57 from last Friday to close at \$154.17/cwt. October settled at \$155.77/cwt.

Corn prices are expected to plummet as we approach harvest season. The July corn futures contract ended the week at \$6.85/bushel. The September contract ended the week at \$5.26 and December corn settled at \$4.91. Δ

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