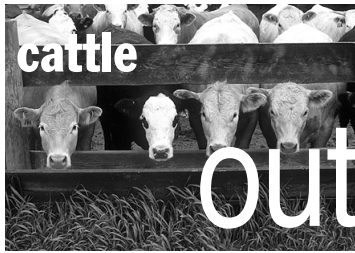


Fed Cattle Prices Were Lower Last Week



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Through October, exports have taken 9.5 percent of U.S. beef production and imports equaled 8.8 percent of production. U.S. beef exports in October were down 2.9 percent and imports were down 10.2 percent compared to 12 months earlier. For the first 10 months of 2012, beef exports were down 11.8 percent compared to last year. Mexico and South Korea account for 67 percent of the decline in U.S. beef exports.

The biggest foreign customers for U.S. beef thus far in 2012 are Japan, Canada, Mexico, South Korea, Hong Kong, Russia and Vietnam, respectively. These seven countries account for 84 percent of U.S. beef exports.

U.S. beef imports during January-October were up 8.5 percent from a year ago with 28.8 percent of our beef imports coming from Australia, 25.2 percent from Canada, and 23.2 percent from New Zealand.

Russia has announced plans to require testing of imported beef and pork for the widely used feed additive ractopamine and to bar entry to those meats that test positive. Through October, 0.7 percent of U.S. beef production and 1.3 percent of pork production has been shipped to Russia.

Through October, the U.S. has imported 640,246 cattle from Canada and 1,182,053 from Mexico. Cattle imports are up 198,878 head (12.3 percent) compare to the same period last year.

Beef carcass cutout values were higher this week. On Friday morning, the choice boxed beef carcass cutout value was \$194.27/cwt, up \$1.10 from last Friday. The select carcass cutout was \$175.19/cwt, up \$2.96 for the week. The choice-select spread remains quite high at \$19.07/cwt.

Fed cattle prices were lower on light volume this week. Through Thursday, the 5-area average price for slaughter steers sold on a live weight basis was \$123.22/cwt, down 54 cents from last week, but up \$4.40 from the same week last year. Not enough steers were sold on a dressed basis this week for a price quote.

This week's cattle slaughter totaled 632,000 head, down 1.1 percent from last week and down 1.9 percent from a year ago. The average steer dressed weight for the week ending on December 1 was 876 pounds, up 2 pounds from the week before and up 21 pounds from a year ago. This was the 47th consecutive week with steer weights above the year-earlier level.

Oklahoma City stocker cattle prices were steady to \$2 lower while feeder cattle prices were steady to \$2 higher this week with prices for medium and large frame #1 steers: 400-450# \$171-\$180, 450-500# \$160-\$180, 500-550# \$150-\$168, 550-600# \$148-\$163, 600-650# \$143-\$157, 650-700# \$144.50-\$155.26, 700-750# \$141.50-\$152, 750-800# \$142-\$146.50, 800-900# \$139-\$147, and 900-1000# \$137-\$142/cwt.

Live cattle futures prices ended the week higher. The December live cattle futures contract closed at \$126.90/cwt, up \$1.30 from the previous Friday. February cattle settled at \$132.60/cwt, up \$2.20 for the week. April fed cattle contracts settled at \$136.77/cwt. Δ

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