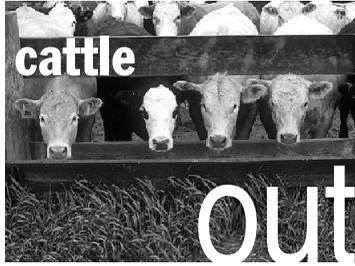


Net Beef Imports As Percent Of Production Declines From 2007 Figures



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Beef exports for May were up 32.4 percent from May of 2007. For January-May, beef exports were up 32.6 percent from 12 months earlier.

Our customers for beef for January-May and the percentage change from last year were: Mexico up 11.5 percent, Japan up 45.1 percent, Canada up 48.7 percent, South Korea down 63.6 percent, Taiwan up 35.8 percent, Hong Kong down 1.7 percent, Vietnam up 676.9 percent and other countries up 28.1 percent.

Net beef imports as a percent of production declined in January-May of 2008 from 8.3 percent in 2007 to 3.8 percent in 2008. This is the major reason why live fed cattle demand was up 1.3 percent while per capita demand for beef was down 3.5 percent for January-May of 2008 compared to a year earlier.

The value of beef exports for each animal slaughtered in May was \$78.68. Add beef variety meats at \$19.72 per head and we come up with \$98.40 per animal slaughtered this year in May. This compares with \$58.32 beef exports per head in May of 2007 and beef variety meats of \$15.36 at a total of \$73.88 per head, up 33 percent in 2008 from 2007.

The value of beef and beef variety exports for January-May at \$87.24 per head was up from

\$64.76 per head in 2007. Variety meat exports for January-May of 2008 were at \$21.04 per head, up from \$15.57 per head in 2007.

Live feeder cattle imports from Mexico for January-May were down 32.4 percent and from Canada were up 41.4 percent in 2008 from 2007. Total live cattle imports for January-May were up 7.7 percent in 2008 from 2007.

Feeder steer and heifer prices were steady to \$2 per cwt lower, mostly \$1-2 per cwt lower. Calves were not well tested with unweaned kinds selling at substantial discounts to weaned at Oklahoma City.

The range in price by weight groups for medium and large frame Number One steers at Oklahoma City were: 450-500 pounds \$123.75-129 per cwt, 500-600 pounds \$115-129 per cwt, 650-700-pound calves \$110.50-112.50 per cwt, 600-700-pound yearlings \$112.50-116.75 per cwt, 700-800 pounds \$107.50-113.25 per cwt, and 800-1,000 pounds \$102-111.75 per cwt.

The weighted average live price for fed cattle for the five-market area through Thursday was at 97.23 per cwt, down \$1.97 from a week earlier. The weighted average negotiated carcass price for the five-market area through Thursday was at \$154.27 per cwt, down \$3.93 from seven day earlier.

Wholesale beef prices for Friday morning showed Choice beef at \$169.67 per cwt, down \$3.88 per cwt from Friday a week earlier. Select beef at \$161.34 per cwt was down \$4.79 per cwt from seven days earlier.

Slaughter this week under Federal Inspection was estimated at 686 thousand head, up 0.6 percent from a year earlier. △