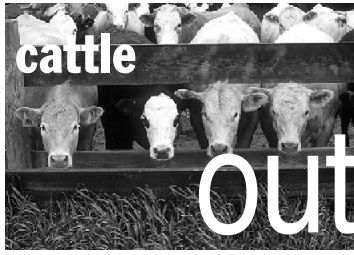


Overall Trend In Beef Trade Is Encouraging



**GLENN GRIMES AND
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Beef exports in July were up 23.1 percent compared to a year earlier. Mexico, our biggest foreign customer, purchased less U.S. beef during July, but most everyone else purchased more than in July 2009. In total, 9.2 of U.S. July beef production was exported.

Beef imports were down 3.8 percent in July. New Zealand and Brazil shipped less to us while Canada and Australia sent us more beef than in July 2009. July beef imports equaled 10.5 percent of U.S. production.

The overall trend in beef trade is quite encouraging. During the first seven months of the year, beef imports were down 11.8 percent and beef exports were up 16.7 percent.

July cattle imports from Mexico and Canada were both down from June but up compared to July 2009. During the first 7 months of the year cattle imports were up 16.7 percent compared to January-July 2009.

The boxed beef cutout fell this week. On Friday morning, the choice boxed beef carcass cutout value was \$1.6097/pound, down 2.54 cents for the week but 19.56 cents higher than last year. The select cutout was down 2.99 cents from the previous Friday to \$1.5325 per pound.

Despite weakness in the cutout, fed cattle prices were steady to a bit higher this week. The 5-area daily weighted average price for slaugh-

ter steers sold through Thursday of this week on a live weight basis was \$96.92/cwt, up 47 cents from a week earlier and \$14.09 higher than a year ago. Steers sold on a dressed weight basis this week averaged \$152.90/cwt, 21 cents higher than the week before and \$22.47 higher than last year.

This week's cattle slaughter totaled 583,000 head, down 13.2 percent from the previous week but up 3.7 percent compared to the same week last year. Year-to-date, beef production is down 0.4 percent.

Steer carcass weights averaged 842 pounds during the week ending August 28. That was up 2 pounds from the week before, but 16 pounds lighter than a year ago. This was the 44th consecutive week with steer weights below year earlier levels.

Cash bids for feeder cattle this week were mostly in the range of steady to \$4 lower. Because of the Labor Day holiday, Oklahoma City did not have a good test on prices. This week in Missouri, price ranges for medium and large frame #1 steers were: 400-450# \$120.50-\$137.50, 450-500# \$120-\$139, 500-550# \$120-\$134.25, 550-600# \$116-\$130, 600-650# \$112-\$127.75, 650-700# \$110-\$124.75, 700-750# \$112-\$121, 750-800# \$108-\$117.85, and 800-1000# \$102-\$114.25/cwt.

USDA's September crop report estimated the national average corn yield at 162.5 bushels per acre and the total corn crop at a record 13.16 billion bushels. USDA lowered their forecast of carry in by 40 million bushels, raised their forecast of corn exports by 50 million bushels and raised their price forecast for the upcoming marketing year to between \$4.00 and \$4.80/bushel. Δ

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