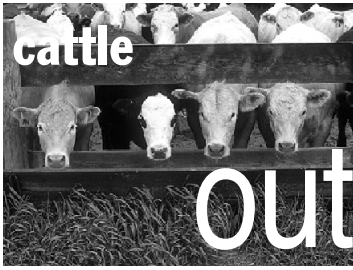


Per Capita Beef Usage Drops From 2009



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The average price of choice beef at retail during April was \$4.44 per pound. That was up 13.2 cents from March and 16.7 cents higher than April 2009. Adjusted for inflation, retail beef prices were up 1.6 percent from April 2009. That's the good news. Unfortunately, estimated per capita domestic beef usage in April was down 4 percent compared to a year earlier. That was a bigger decline in consumption than is typical from a 1.6 percent price hike, thus our calculated beef demand index was down 4 percent compared to April 2009.

The 5 market average live price of slaughter steers in April was \$98.70/cwt, up \$3.70 from March and \$12.00 higher than April 2009. Packer margins were wider this April than last, but the distribution-retailing margin was smaller.

The World Trade Organization has agreed to Canada and Mexico's request to investigate the legality of the U.S. country of origin labeling (COOL) law for certain foods.

As of May 16, USDA/NASS estimates 87 percent of U.S. corn acreage and 38 percent of soybean acres were planted. Corn plantings were up from 81 percent the week before and 61 percent at this time last year.

The 5-area daily weighted average price for slaughter steers sold through Thursday of this week on a live weight basis was \$97.05/cwt, down \$2.93 from a week earlier but \$11.96

higher than a year ago. Steers sold on a dressed basis this week averaged \$154.70/cwt, \$7.60 lower than the week before but \$18.49 higher than last year.

On Friday morning, the choice boxed beef carcass cutout value was \$1.6748/pound, down 2.45 cents for the week, but 21.76 cents higher than last year. The select cutout was down 3.48 cents from the previous Friday to \$1.6112 per pound.

This week's cattle slaughter equaled 681,000 head, up 1.5 percent from the previous week but down 0.6 percent compared to the same week last year. Steer carcass weights averaged 806 pounds during the week ending May 8. That was up 2 pounds from the week before but 16 pounds lighter than a year ago. This was the 24th consecutive week with steer weights below year earlier levels.

Cash bids for feeder cattle this week were mostly in the range of steady to \$3 lower. A few Missouri auctions reported higher prices. The price ranges at Oklahoma City for medium and large frame steers were: 500-550# \$128-\$138, 550-600# \$125.50-\$135, 600-650# \$120.50-\$125, 650-700# \$116.75-\$122.75, 700-750# \$115-\$117.25, 750-800# \$111-\$115.25, and 800-1000# \$95-\$109/cwt.

The June live cattle futures contract ended the week at \$91.37/cwt, down \$1.88 for the week. August settled at \$90.62, down \$1.38 from the week before. October settled at \$91.87/cwt and December live cattle contract ended the week at \$93.30/cwt.

Feeder cattle futures were also lower this week. The August feeder contract lost \$2.82 this week, ending at \$110.15/cwt. October closed the week at \$110, down \$2.50 from last Friday.

The number of cattle on feed May 1 was down 3.4 percent compared to a year ago. Δ

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