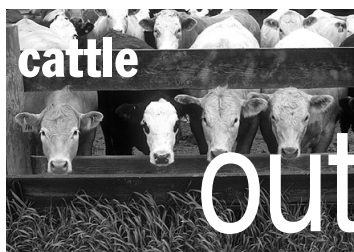


Retail Beef Prices Set A New Record



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USDA's cattle on feed report said there were 6.0 percent fewer cattle in large feedlots than on December 1, 2011. November placements were down 5.6 percent while marketings were down 0.7 percent. The on-feed number is 0.6 percent above pre-release trade forecasts.

Retail beef prices set a new record in November. The average price of choice beef in grocery stores during November was \$5.152 per pound. That was 12.1 cents higher than in October, 15.1 cents higher than in November 2011, and 5.9 cents above the old record set in January 2012. The new record for retail beef is encouraging as \$5.10 per pound choice beef was becoming something of a price ceiling.

The 5 area price of slaughter steers averaged \$126.10/cwt during November. That was 30 cents higher than the month before and \$2.60 higher than November 2011, but 70 cents below the record set in March of this year.

Beef carcass cutout values were mixed this week. On Friday morning, the choice boxed beef carcass cutout value was \$193.22/cwt, down \$1.05 from last Friday. The select carcass cutout was \$177.22/cwt, up \$2.03 for the week. The choice-select spread, \$16.00/cwt, dropped

\$3.07 from Friday.

Fed cattle prices were higher on light volume this week. Through Thursday, the 5-area average price for slaughter steers sold on a live weight basis was \$126.13/cwt, up \$2.91 from last week and up 75 cents from the same week last year. Dressed steers prices averaged \$199.91/cwt this week.

This week's cattle slaughter totaled 633,000 head, up 0.2 percent from last week and up 6.0 percent from a year ago. The average steer dressed weight for the week ending on December 8 was 878 pounds, up 2 pounds from the week before and up 25 pounds from a year ago. This was the 48th consecutive week with steer weights above the year-earlier level.

Year-to-date cattle slaughter is down 3.5 percent but due to heavier weights beef production is down only 1.2 percent.

Oklahoma City stocker cattle prices were \$5 to \$8 higher while feeder cattle prices were \$3 to \$5 higher this week with prices for medium and large frame #1 steers: 400-450# \$180.50-\$194.50, 450-500# \$169-\$184, 500-550# \$162-\$174, 550-600# \$150.50-\$166.50, 600-650# \$146-\$162, 650-700# \$146.50-\$159.25, 700-750# \$139-\$155.50, 750-800# \$144-\$149.75, 800-900# \$138-\$148.25, and 900-1000# \$141.25/cwt.

Live cattle futures prices ended the week higher. The December live cattle futures contract closed at \$129.27/cwt, up \$2.37 from the previous Friday. February cattle settled at \$133.57/cwt, up 97 cents for the week. April fed cattle contracts settled at \$137.32/cwt. Δ

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