

Slaughter Steer Prices Soar In March



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Retail choice beef prices set a new record in March at \$5.222 per pound, up 7.8 cents from February and up 24.7 cents from March 2012. The average price for all fresh beef was \$4.918 per pound, also a new record. Record beef prices create concern that consumers will shift to lower cost meats. In March, the average grocery store price of ground beef was \$3.84 per pound. That was 61 cents higher than a pound of boneless chicken breasts and only 12 cents lower than the cost of a pound of boneless pork chops.

The 5 area average price for slaughter steers in March was \$126.50/cwt. That was up \$1.40 from February and it was the second highest month ever, behind \$126.80 in March 2012.

USDA's Foreign Ag Service released their latest forecast of world meat production this week. They are predicting 2013 global beef production will be up 0.5 percent from 2012. The U.S. is the world's largest beef producer. Our production is expected to be down 4.0 percent. Of the next six countries, beef production is forecast to be up 2.1 percent in Brazil, down 0.4 percent in the European Union, up 0.9 percent in China, up 9.8 percent in India, up 6.9 percent in Argentina and up 2.7 percent in Australia.

On Friday morning, the choice boxed beef carcass cutout value was \$190.28/cwt, up 41 cents from the previous Friday and up \$2.18

from a year ago. This morning the select carcass cutout was at \$185.32/cwt, up \$1.20 for the week.

Fed cattle prices were uneven this week on very light volume. Through Thursday, the 5-area average price for slaughter steers sold on a live weight basis was \$125.27/cwt, down \$1.96 from last week, but up \$2.59/cwt from the same week last year. Steer prices on a dressed basis averaged \$200.00/cwt this week, up 62 cents from a week ago and up \$1.48 from a year ago.

This week's cattle slaughter totaled 615,000 head, up 1.5 percent from last week and up 2.7 percent from a year ago. The average steer dressed weight for the week ending on April 6 was 847 pounds, down 4 pounds from the week before, but up 4 pounds from a year ago. This was the 65th consecutive week with steer weight above the year-earlier level.

Oklahoma City feeder cattle prices were \$2 to \$6 lower this week with prices for medium and large frame #1 steers: 400-450# \$164-\$181, 450-500# \$162-\$173, 500-550# \$149-\$176, 550-600# \$152.75-\$173.50, 600-650# \$141-\$162.50, 650-700# \$125-\$147.50, 700-750# \$131-\$140, 750-800# \$120-\$139.25, 800-900# \$120-\$130.50, and 900-1000# \$112-\$121/cwt.

The April live cattle futures contract closed at \$126.35/cwt today, up 50 cents from last week's close. June fed cattle contracts gained 55 cents from last Friday to settle at \$121.30/cwt. The August fed cattle contract closed at \$121.62/cwt, up 22 cents from the week before. April feeder cattle futures ended the week at \$134.02/cwt, \$3.90 lower than last week's close. May feeder cattle settled at \$139.20/cwt. Δ

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