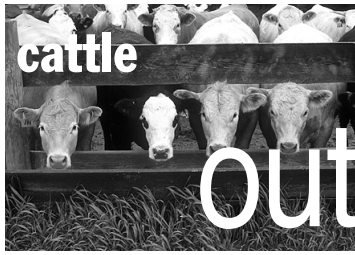


Strong Dollar One Reason Beef Exports Dip



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US. beef exports were down 2.5 percent in February compared to a year earlier. Of the top 7 destinations for beef shipments, only Canada and Hong Kong bought more U.S. beef this February than last. Why are exports slowing? The stronger dollar is one reason. The trade weighted value of the dollar was 4.5 percent higher in March than a year ago. Beef imports were up 3.4 percent in February. Exports equaled 9.4 percent of production and imports equaled 9.3 percent of production.

Live cattle imports were down 0.3 percent in February with Canada up 48.4 percent and Mexico down 22.3 percent.

USDA's April WASDE predicted 2013 beef production would be down 4.0 percent, but pork production would be up 1.1 percent and both broiler and turkey production would be up 2.4 percent compared to 2012. Total 2013 red meat and poultry production is forecast to be up 0.2 percent compared to last year. In December, USDA was forecasting 2013 meat production would be down 2.6 percent.

On Friday morning, the choice boxed beef carcass cutout value was at \$189.87/cwt, down \$1.42 from last Friday, but up \$11.71 from a year ago. This morning the select carcass cutout was at \$184.12/cwt, down \$4.17 for the week.

Fed cattle prices declined this week. Through

Thursday, the 5-area average price for slaughter steers sold on a live weight basis was \$127.23/cwt, down \$1.06 from last week, but up \$5.15/cwt from the same week last year. Steer prices on a dressed basis averaged \$200.36/cwt this week, down \$4.11 from a week ago, but up \$5.43 from a year ago.

This week's cattle slaughter totaled 606,000 head, up 2.2 percent from last week and up 4.3 percent from a year ago. The average steer dressed weight for the week ending on March 30 was 851 pounds, down 7 pounds from the week before, but up 15 pounds from a year ago. This was the 64th consecutive week with steer weight above the year-earlier level.

Oklahoma City feeder cattle prices were steady to \$3 lower this week with prices for medium and large frame #1 steers: 400-450# \$174-\$186, 450-500# \$175-\$179, 500-550# \$166-\$175.50, 550-600# \$146-\$180, 600-650# \$141-\$169, 650-700# \$138.50-\$154.50, 700-750# \$139.50-\$146.75, 750-800# \$136.50-\$140, 800-900# \$121.50-\$137, and 900-1000# \$117.75-\$125/cwt.

The April live cattle futures contract closed at \$125.85/cwt today, down 17 cents from last week's close. June fed cattle contracts settled at \$120.75/cwt. The August fed cattle contract closed at \$121.40/cwt, down 85 cents from the week before.

April feeder cattle futures ended the week at \$137.92/cwt, \$4.65 lower than last week's close. May feeder cattle settled at \$140.92/cwt.

May corn futures ended the week at \$6.585/bushel, up 29.5 cents for the week. Δ

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