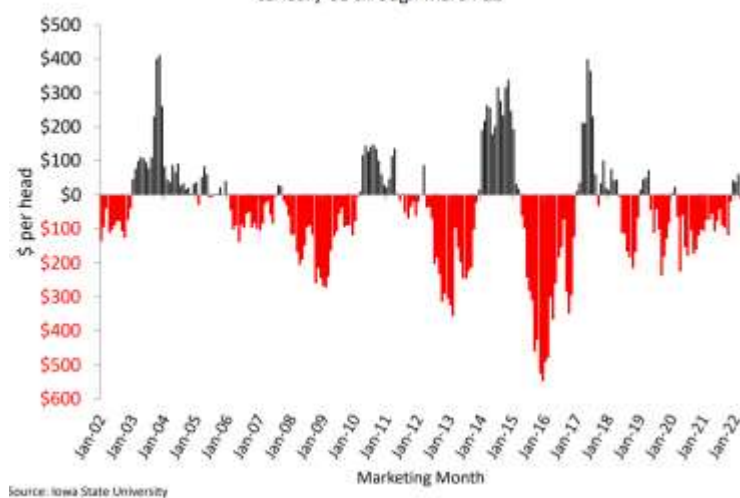


[Iowa State University](#) provides estimated returns to finishing steer calves (560 lbs.) and returns to finishing a yearling steer (760 lbs.) similar to their hog estimated returns budgets. Both returns calculations have been updated through March. The charts to the right show the 20 year history.

Closeouts in March were purchased back in July of 2021 and are only more recently pricing the rise in feed costs. Over the last 5 months, feeders have netted positive returns on calf purchases, but will likely see negative values as the cost of calves rose in the first quarter of the year and feed costs rose sharply. Expect the cost function to continue to rise through most of 2022. Break-evens for March finishing steer calves was placed at \$139.73—the highest value since August 2015. Total costs per head back then were over \$2,000, as they were in March of 2022: \$1,816.46 per head.

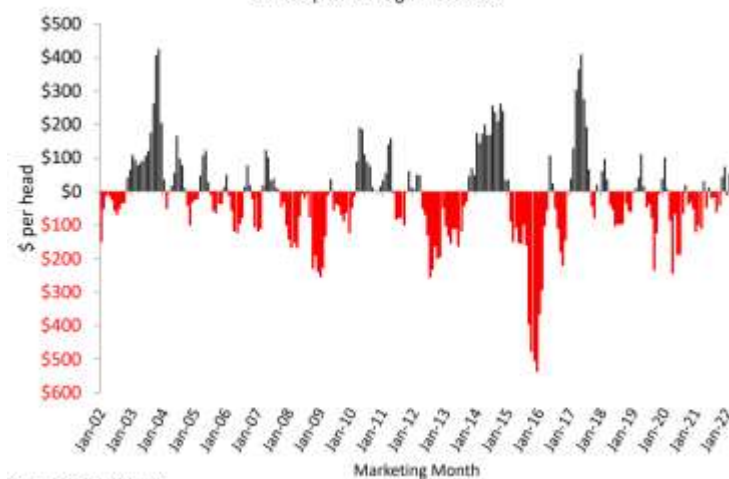
Estimated Returns to Finishing Steer Calves, Iowa
January-02 through March-22



Source: Iowa State University

Closeouts for 750 pound steers have been positive in four of the last 5 months, but their break-even values has reached into the high \$130s as well. Iowa State estimates using a month of placement of October 2021 for March 2022 closeouts. Input price for feeders was listed at \$161, very similar to today's prices. Still, feed costs are expected to continue to climb. Cost per head was listed at \$1,802.58. Feed costs per head was not the highest ever but non-feed costs have reached a record high at \$144.19 per head in March.

Estimated Returns to Finishing Yearling Steers, Iowa
January-02 through March-22

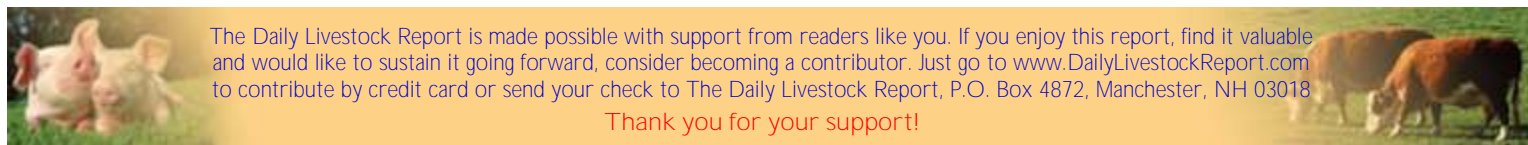


Source: Iowa State University

The fertilizer spillover effects have increased the manure credit to nearly double a year ago on both finishing budgets and provides an interesting side light. It's also the highest manure credit listed in the whole data series. At least in two of the last five months this has been the difference between a net negative and a net positive to finishing steer calves.

October placements nationally were listed at 2.245 million head, the largest single month since October 2019. Nearly 600 thousand head were under 600 pounds and should come out of feedlots in June, according to IA returns. Another half a million head were placed at 700-799 pounds.

Since October another 2.230 million head have been placed under 600 pounds and face increasing cost structures at least until the U.S. feed grain crop is more defined. These 9 month feeding windows appear unlikely to be very profitable as they come out this year, unless fed cattle can remain in the high \$130s or higher. June is the closeout month for under 600 pounds placed in October. A slightly lower cost of the steer calf will add breathing room as the Iowa combined auction data lists the October price at about \$10 under what the March closeouts paid for calves. Many of the costs have risen it seems unlikely feeding calves will remain positive in 2022. However, those animals are already on feed and there will not be a lot of flexibility to change the outcome or delivery window after they have already been on feed for 7 months.



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PRODUCTION & PRICE SUMMARY

Week Ending 4/30/2022

Source: Various USDA Agricultural Marketing Service (Market News) reports. DATA ARE PRELIMINARY.

Item	Units	Current Week	Last Week	Pct. Change	Last Year	Pct. Change	YTD	Y/Y % Change
		30-Apr-22	23-Apr-22		1-May-21			
Beef, Pork, Chicken, & Turkey	Mil Lbs., cwe	1,933	1,960	-1.4%	1,942	-0.5%	33,264	-0.9%
C FI Slaughter	Thou. Head	656	665	-1.4%	653	0.5%	11,009	0.5%
A FI Cow Slaughter **	Thou. Head	126	140	-9.4%	128	-1.4%	2,080	6.8%
T Avg. Dressed Weight	Lbs.	833	833	0.0%	824	1.1%	836	0.3%
T Beef Production	Million Lbs.	545.0	552.6	-1.4%	536.5	1.6%	9,203	0.8%
L Live Fed Steer Price, 5-Mkt	\$ per cwt	143.31	143.02	0.2%	118.89	20.5%		
E Dressed Steer Price, 5-Mkt	\$ per cwt	232.32	232.29	0.0%	190.44	22.0%		
Oklahoma Steer (600-700 lbs)	\$ per cwt	173.07	171.07	1.2%	147.35	17.5%		
& Choice Beef Cutout	\$ per cwt	263.21	269.58	-2.4%	291.79	-9.8%		
Hide/Offal	\$ per cwt, live wt	13.44	13.31	1.0%	11.55	16.4%		
B Rib, Primal, Choice	\$ per cwt	411.34	428.41	-4.0%	504.32	-18.4%		
E Round, Primal, Choice	\$ per cwt	211.70	216.01	-2.0%	203.37	4.1%		
E Chuck, Primal, Choice	\$ per cwt	201.15	205.70	-2.2%	215.07	-6.5%		
F Trimmings, 50%, Fresh	\$ per cwt	116.63	123.46	-5.5%	85.85	35.9%		
Trimmings, 90%, Fresh	\$ per cwt	275.12	277.19	-0.7%	242.48	13.5%		
H FI Slaughter	Thou. Head	2,403	2,374	1.2%	2,442	-1.6%	41,528	-5.7%
H FI Sow Slaughter **	Thou. Head	56.0	59.4	-5.8%	61.4	-8.8%	902	-6.7%
O Avg. Dressed Weight	Lbs.	219.0	219.0	0.0%	216.0	1.4%	218	0.3%
G Pork Production	Million Lbs.	525.2	519.2	1.2%	526.4	-0.2%	9,071	-5.5%
S Natl. Negotiated Purchase	Wtd. Avg.	102.57	102.48	0.1%	111.64	-8.1%		
Natl. Base Carcass Price	Wtd. Avg.	99.99	99.88	0.1%	102.22	-2.2%		
& Natl. Net Carcass Price	Wtd. Avg.	101.72	101.65	0.1%	104.20	-2.4%		
Natl. Early Wean Feeder	10-12 Lbs.	54.02	55.32	-2.3%	48.93	10.4%		
P Pork Cutout	\$ per cwt	105.18	109.32	-3.8%	109.24	-3.7%		
O By-product Value	\$ per cwt, live wt	5.50	5.49	0.2%	4.89	12.5%		
R Ham, Primal	\$ per cwt	87.69	83.94	4.5%	97.50	-10.1%		
K Loin, Primal	\$ per cwt	100.13	101.30	-1.2%	97.98	2.2%		
Belly, Primal	\$ per cwt	160.38	189.41	-15.3%	157.47	1.8%		
Trimmings, 72%, Fresh	\$ per cwt	116.61	115.25	1.2%	115.21	1.2%		
C Young Chicken Slaughter *	Million Head	160.8	169.6	-5.2%	164.32	-2.1%	2,770	1.2%
H Avg. Weight (RTC)	Lbs.	4.79	4.76	0.6%	4.80	-0.3%	4.81	0.0%
I Young Chicken Production (RTC)	Million Lbs.	770.0	806.7	-4.5%	789.2	-2.4%	13,334	1.1%
C Eggs Set (US)	Million	240.3	238.4	0.8%	239.0	0.5%	3,831	0.9%
K Chicks Placed (US)	Million Head	187.1	187.5	-0.2%	189.0	-1.0%	2,977	-0.4%
E National Composite Whole Bird	Composite	169.23	167.41	1.1%	105.03	61.1%		
N Northeast Breast, B/S	\$ per cwt	317.48	305.51	3.9%	191.57	65.7%		
Northeast Leg Quarters	\$ per cwt	47.69	44.97	6.0%	42.57	12.0%		
T Total Turkey Slaughter *	Million Head	3.67	3.32	10.6%	3.51	4.8%	62.9	0.7%
U Avg. Weight (RTC)	Lbs.	25.38	24.53	3.5%	25.73	-1.3%	26.33	-1.4%
R Turkey Production (RTC)	Million Lbs.	93.2	81.5	14.4%	90.2	3.4%	1,656	-0.7%
K National Hen (8-12 Lbs)	\$ per cwt	138.30	138.83	-0.4%	114.00	21.3%		
G Corn, Omaha	\$ per Bushel	8.32	8.09	2.8%	6.68	24.4%		
R Distillers Grain, IA	\$ per Ton	294.00	294.00	0.0%	NQ	N/A		
A Soybean, Cntrl IL	\$ per Bushel	17.24	17.73	-2.7%	15.56	10.8%		
I Soybn Meal 48%, Cntrl IL	\$ per Ton	456.90	479.30	-4.7%	434.15	5.2%		

* Chicken & turkey slaughter & production are 1 week earlier than the date at the top of this sheet.

** Cow and sow slaughter reflect levels from two weeks ago (part of "actual" rather than "preliminary" weekly slaughter report).



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