

Feeder cattle auctions across the U.S. indicate feeder cattle prices have fallen off considerably heading into early May. Green-up and strong demand for feeders to be put on grass elevated feeder cattle prices for most regions in the U.S. during late March and early April. Billings, MT and Washington combined auctions were among the highest and cracked \$200 per cwt for 4-500 pound steers. Georgia combined auctions were the lowest regional market, reaching just above \$164 for that weight group. Steer calves weighing 500-600 pounds also peaked during that timeframe. Billings showed a high of \$187 per cwt just before April, South Dakota Steers were just under \$180, and Georgia's highest value so far this year was \$151 the first week of April. These prices across all the regions are lower than the five year average for steer calves, but in most cases, April prices were above last year. April was a very low placement month for feedlots last year because of the uncertainty brought on by COVID-19 to the supply chain. This year, it was expected prices would be better, but what was unanticipated was the very strong increase in feed costs.

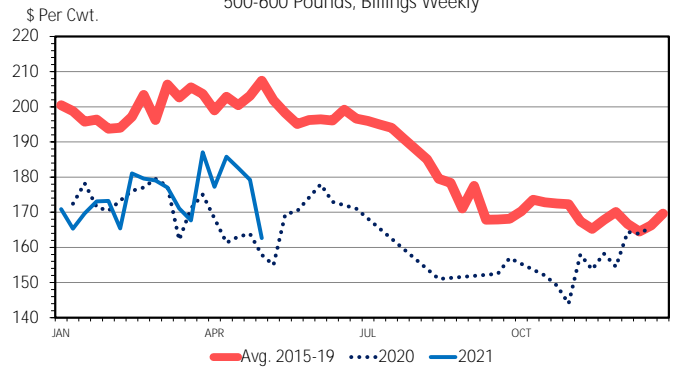
Now that summer stockers have filled their needs most of the regional markets have suffered sharp corrections to feeder cattle prices. In Georgia, 500-600 pound steers have lost \$10 per cwt, while 400-500 pound calves lost \$15 per cwt since the early April highs. In South Dakota, 500-600 pound steers are about \$15 under the earlier high, but recovered some last week. Smaller calves are down about \$10, as of last week but had fallen as much as \$20 per cwt. The Pacific Northwest markets adjusted even sharper. In Billings, MT, last week's price was down \$25 per cwt for 500-600 pound steer calves, and the lighter weight group was down \$22 per cwt.

Feed costs are expected to be a significant headwind for feeder cattle prices. Two weeks ago across the 11 cash corn markets LMIC tracks, cash corn hit over \$7.50 in 8 of those markets, and in one of the Texas markets it was \$8 per cwt. Corn markets receded this week, falling 5-6% across those 11 markets. Feeder cattle prices may get a boost as a result, but cash corn prices are still over \$7 per bushel. The closure of barge traffic on the Mississippi River may be effecting markets as well as the latest WASDE report. Old crop corn futures ended the week down \$0.30 per bushel, logging a third session of declines. May futures closed Friday at only \$6.85 per bushel, a steep

discount to most cash markets. Very good planting progress is likely weighing on markets as well, but dry conditions are still a concern for this year's corn crop.

Feeder cattle futures rallied on the decrease in futures corn market. Even with the break in corn price, feed prices are still considered very high. Feedlots are expected to face negative margins this summer, which may limit the appetite for placements. However, placements for December closeouts look to be profitable at this point. The December Live Cattle futures closed at \$127.350 per cwt.

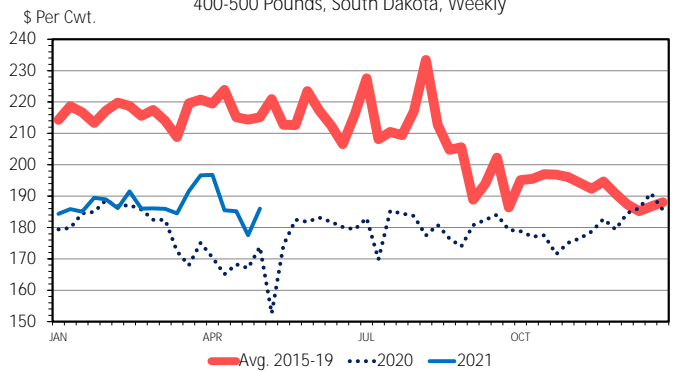
MED. & LRG. #1 STEER CALF PRICES
500-600 Pounds, Billings Weekly



Data Source: USDA-AMS, Compiled by LMIC
Livestock Marketing Information Center

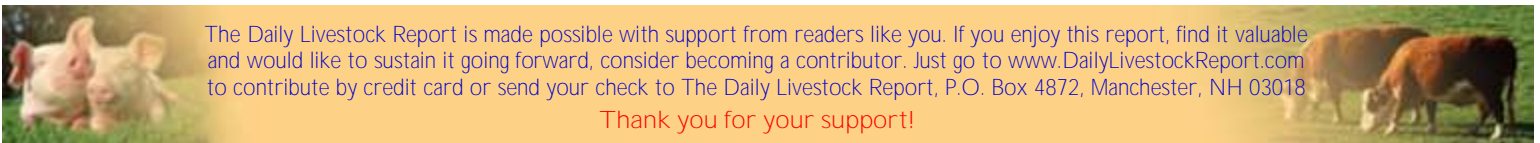
05/14/21

MED. & LRG. #1 STEER CALF PRICES
400-500 Pounds, South Dakota, Weekly



Data Source: USDA-AMS, Compiled by LMIC
Livestock Marketing Information Center

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PRODUCTION & PRICE SUMMARY

Week Ending 5/15/2021

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
		15-May-21	8-May-21		16-May-20			
Beef, Pork, Chicken, & Turkey	Mil Lbs., cwe	1,939	1,931	0.4%	1,781	8.9%	37,481	1.7%
C FI Slaughter	Thou. Head	640	638	0.3%	519	23.3%	12,236	5.7%
A FI Cow Slaughter **	Thou. Head	128	131	-2.2%	112	14.6%	8,597	-0.4%
T Avg. Dressed Weight	Lbs.	826	828	-0.2%	827	-0.1%	834	1.2%
T Beef Production	Million Lbs.	527.6	527.3	0.1%	428.0	23.3%	10,203	6.9%
L Live Fed Steer Price, 5-Mkt	\$ per cwt	119.70	118.36	1.1%	112.31	6.6%		
E Dressed Steer Price, 5-Mkt	\$ per cwt	190.48	188.53	1.0%	179.65	6.0%		
E Oklahoma Steer (600-700 lbs)	\$ per cwt	NO	143.85	N/A	142.23	N/A		
& Choice Beef Cutout	\$ per cwt	314.06	303.51	3.5%	459.04	-31.6%		
Hide/Offal	\$ per cwt, live wt	12.00	11.99	0.1%	6.79	76.7%		
B Rib, Primal, Choice	\$ per cwt	526.17	518.34	1.5%	531.80	-1.1%		
E Round, Primal, Choice	\$ per cwt	222.81	209.27	6.5%	467.81	-52.4%		
E Chuck, Primal, Choice	\$ per cwt	230.69	223.65	3.1%	442.72	-47.9%		
F Trimmings, 50%, Fresh	\$ per cwt	85.36	87.48	-2.4%	256.68	-66.7%		
Trimmings, 90%, Fresh	\$ per cwt	250.40	245.84	1.9%	293.90	-14.8%		
H FI Slaughter	Thou. Head	2,395	2,408	-0.5%	2,143	11.8%	48,854	1.8%
H FI Sow Slaughter **	Thou. Head	59.5	63.6	-6.3%	65.8	-9.5%	4,432	7.2%
O Avg. Dressed Weight	Lbs.	217.0	217.0	0.0%	220.0	-1.4%	218	1.0%
G Pork Production	Million Lbs.	518.1	522.5	-0.8%	468.9	10.5%	10,652	2.8%
S Natl. Negotiated Purchase	Wtd. Avg.	115.58	115.09	0.4%	37.00	212.4%		
& Natl. Base Carcass Price	Wtd. Avg.	105.59	102.73	2.8%	71.27	48.2%		
Natl. Net Carcass Price	Wtd. Avg.	107.62	104.84	2.7%	72.32	48.8%		
Natl. Early Wean Feeder	10-12 Lbs.	44.50	48.94	-9.1%	15.77	182.2%		
P Pork Cutout	\$ per cwt	114.47	112.48	1.8%	115.12	-0.6%		
O By-product Value	\$ per cwt, live wt	4.96	4.88	1.6%	3.67	35.1%		
R Ham, Primal	\$ per cwt	85.99	94.76	-9.3%	43.51	97.6%		
K Loin, Primal	\$ per cwt	107.70	102.27	5.3%	156.02	-31.0%		
Belly, Primal	\$ per cwt	165.80	162.26	2.2%	156.91	5.7%		
Trimmings, 72%, Fresh	\$ per cwt	129.23	120.87	6.9%	139.18	-7.1%		
C Young Chicken Slaughter *	Million Head	163.6	163.6	0.0%	162.95	0.4%	3,064	-2.7%
H Avg. Weight (RTC)	Lbs.	4.85	4.85	0.0%	4.84	0.2%	4.82	1.5%
I Young Chicken Production (RTC)	Million Lbs.	793.3	793.5	0.0%	788.9	0.6%	14,771	-1.2%
C Eggs Set (US)	Million	239.8	238.7	0.5%	228.8	4.8%	16,542	0.5%
K Chicks Placed (US)	Million Head	187.2	186.1	0.6%	176.8	5.9%	13,152	-0.3%
E National Composite Whole Bird	Composite	105.56	104.49	1.0%	77.45	36.3%		
N Northeast Breast, B/S	\$ per cwt	209.08	199.63	4.7%	143.89	45.3%		
Northeast Leg Quarters	\$ per cwt	43.42	43.53	-0.3%	34.02	27.6%		
T Total Turkey Slaughter *	Million Head	3.85	3.50	10.0%	3.81	1.2%	69.8	-7.3%
U Avg. Weight (RTC)	Lbs.	26.03	24.99	4.2%	25.03	4.0%	26.58	0.9%
R Turkey Production (RTC)	Million Lbs.	100.3	87.5	14.6%	95.3	5.2%	1,855	-6.5%
K National Hen (8-12 Lbs)	\$ per cwt	114.00	119.00	-4.2%	103.40	10.3%		
G Corn, Omaha	\$ per Bushel	7.09	7.45	-4.8%	2.99	137.2%		
R Distillers Grain, IA	\$ per Ton	242.50	230.00	5.4%	148.00	63.9%		
A Soybean, Cntrl IL	\$ per Bushel	16.33	16.29	0.3%	8.42	93.9%		
I Soybn Meal 48%, Cntrl IL	\$ per Ton	451.00	428.00	5.4%	289.70	55.7%		
N								

* 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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