

Livestock Monitor

A Newsletter for Extension Staff

Livestock Marketing Information Center

State Extension Services in Cooperation with the USDA

Market Indicators . . .

April 26, 2002

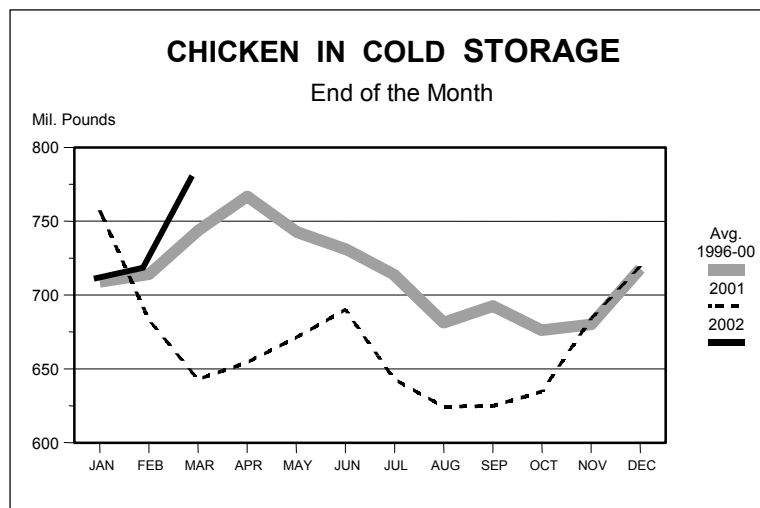
Production			Prices			
Week Ending 4/27/02	Current	Year Ago	Weekly Weighted Avg.	Last	Week Ago	Year Ago
FI Cattle Slaughter (Thou Hd)	698	668	Live Fed Steer	64.18	66.53	75.13
FI Hog Slaughter (Thou Hd)	1923	1831	Dressed Steer	104.70	105.99	119.60
FI Sheep Slaughter (Thou Hd)	61	49				
Live Y. Chick Slau. (Mil Hd)	158.6	151.3				
			Beef Cutout (Choice 550-700)	114.68	116.65	127.52
Slaughter Cattle Weight	1234	1185	USDA Hide/Offal (\$/Cwt.)	7.27	7.26	10.09
Slaughter Hog Weight	268	265	GA Auction Fdr. Str. (6-7 Cwt)	76.25	73.00	88.38
Slaughter Lamb, Sheep Wt.	140	146				
			IA, S. MN Dir. Hogs (\$/Cwt, Carc.)	46.88	42.22	67.81
Week Ending 4/27/02			East. Cornbelt Lean Hog (195 Lbs)	NQ	NQ	NQ
Beef Production (Mil Lbs)	522.1	477.9	Feeder Pigs (40-50 Lbs)	44.24	43.70	59.09
Pork Production (Mil Lbs)	381.6	358.5	Pork Cutout (185 Lbs.)	51.04	49.26	70.47
Lamb, Mutton Prod. (Mil Lbs)	4.2	3.5	Lamb Cutout (65 Lbs. & Dn.)	126.76	127.51	NQ
Previous 6 Week Moving Avg.						
Total Beef (Mil Lbs)	477.5	458.1	Corn, Omaha (\$/Bu)	1.84	1.83	1.77
Total Pork (Mil Lbs)	373.6	363.9	Wheat, Portland (\$/Bu)	3.28	3.26	3.28
Total Lamb, Mutton (Mil Lbs)	4.8	5.3	Wheat, Kansas City (\$/Bu)	2.74	2.89	3.04
			Soybeans, S. Iowa (\$/Bu)	4.71	4.73	4.20

Trends ... MEAT AND POULTRY IN COLD STORAGE UP FROM 2001

USDA's monthly Cold Storage report (released April 19) showed that frozen meat and poultry stocks in commercial facilities at the end of March were well above a year ago. At the end of March, frozen supplies of red meat and poultry were 22 percent and 23 percent above 2001's, respectively.

Frozen stocks of beef declined during March, but were 24 percent larger than a year ago. At 413 million pounds, beef in cold storage was at the largest level for March 31 since 1994. Frozen pork stocks increased 4.5 percent during March and were 22 percent larger than a year earlier. USDA reported pork in cold storage totaled 528 million pounds on March 31, the largest stocks for that date since 2000. One of the few items to post a decline in stocks was lamb and mutton (26 percent below a year earlier).

Chart of the Week . . .



U.S. poultry stocks in cold storage have increased a little more than seasonally since the first of the year. Last year, poultry stocks actually declined counter seasonally from January through March due to reductions in frozen chicken in warehouses. Compared to the end of February, chicken and turkey in cold storage both increased about 8 percent. Compared to a year ago, as of March 31, frozen stocks of chicken and turkey were up 22 and 25 percent, respectively.

INTERNATIONAL TRADE

During February (the most recent data available), U.S. beef and turkey trade statistics were better than anticipated, but pork and broiler trade numbers were less positive. The outlook for U.S. exports remains clouded, but for most meat and poultry commodities, indications are that 2002 will not match the gains posted in recent years.

Compared to a year earlier, U.S. beef imports during February were down about 17 percent. The bulk of that decline was in imports from Australia and New Zealand. U.S. beef export tonnage during February was 3 percent above 2001's. As in recent months, beef shipments to Japan remained well below a year ago (down 23 percent for February). U.S. beef exports to South Korea remained strong in February.

During February, U.S. pork imports were 13 percent above 2001's, on a carcass weight basis. And U.S. pork export tonnage was down 4 percent.

The U.S. gap between lamb/mutton imports and exports continued to increase in February. Compared to a year ago, U.S. lamb import tonnage increased 13 percent and mutton imports were up 40 percent. U.S. lamb exports increased 4 percent from a year ago during February.

In February, U.S. broiler exports were down and that was before the Russian embargo began. In fact, shipments to Russia in February were above a year earlier. But, exports to other countries declined. So, for February U.S. broiler export tonnage was 7.5 percent below 2001's. Turkey exports during February were up 17 percent from 2001's.

During calendar year 2001, U.S. beef exports declined. Another small year-to-year decline in beef exports is projected for 2002 (down 1 to 4 percent). U.S. pork exports surged in 2001, increasing nearly 20 percent from 2000's. In 2002, U.S. pork exports are projected to be about unchanged from a year earlier. Compared to last year, U.S. broiler exports in 2002 are expected to decline about 5 percent, but turkey exports may increase some (up 2 to 5 percent).

CATTLE ON FEED

After surging in February and March, placements of cattle into feedlots moderated in April. Given the red ink that continues to flow for feedlot closeouts, that trend will likely continue for several months if lack of pasture and range this spring and summer is not a major problem.

The most recent USDA monthly Cattle on Feed report (released April 19) showed placements of cattle into feedlots during March were below most pre-report estimates. Still, placements during March were well above a year ago (up 6 percent nationally and up 8 percent in the historically reported 7-states). Further, all of the year-to-year increase in placements during March was heavyweight cattle (over 700 pounds).

Preliminary estimates show that fed cattle marketings during April accelerated compared to most recent months. Most of April's increase in fed cattle marketings occurred in the last two weeks of the month. Federally Inspected steer and heifer slaughter for the month of April was 10 percent above 2001's. Adjusting for one more slaughter day in April 2002 compared to a year ago, results in daily average steer and heifer slaughter up about 5 percent. In contrast, during March, USDA reported 7-state marketings at 2.4 percent below 2001's for the month and daily average marketings up 2.2 percent.

As of April 1, the number of cattle on-feed was about 1 percent above a year earlier. That was the first year-to-year increase since November 2001. As of May 1, the U.S. on-feed inventory should return to being below a year ago.

If placements of cattle into feedlots continue to be below a year earlier this spring, tighter market ready fed cattle supplies will be apparent in late August and September. And higher fed cattle prices will begin to cover breakevens. Currently, estimated breakeven sale prices for steers purchased at 750 pounds and sold in August and September are mostly in the \$66 to \$68 per cwt. range.