

**Photo provided by Mr. Rickey Hudson**

# **Beef Cattle Outlook**

**Walt Prevatt**

**Extension Economist and Professor**

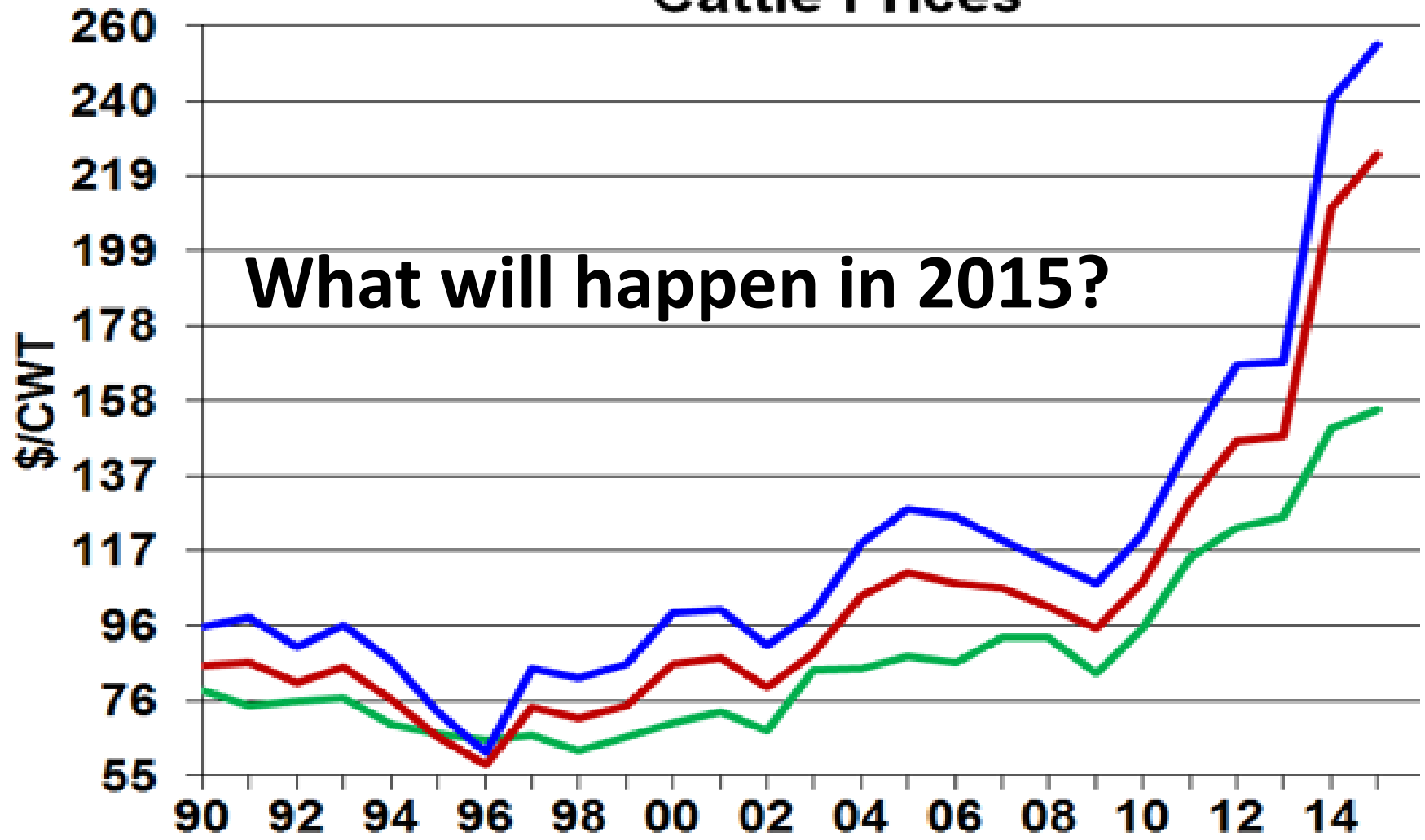
**Auburn University**

**Southern Region Outlook Conference**

**Embassy Suites Airport, Atlanta, GA**

**September 22, 2014**

# Cattle Prices



What will happen in 2015?

Source: CattleFax  
2014-15 Projected

Years

# 2015 Cattle Situation and Outlook

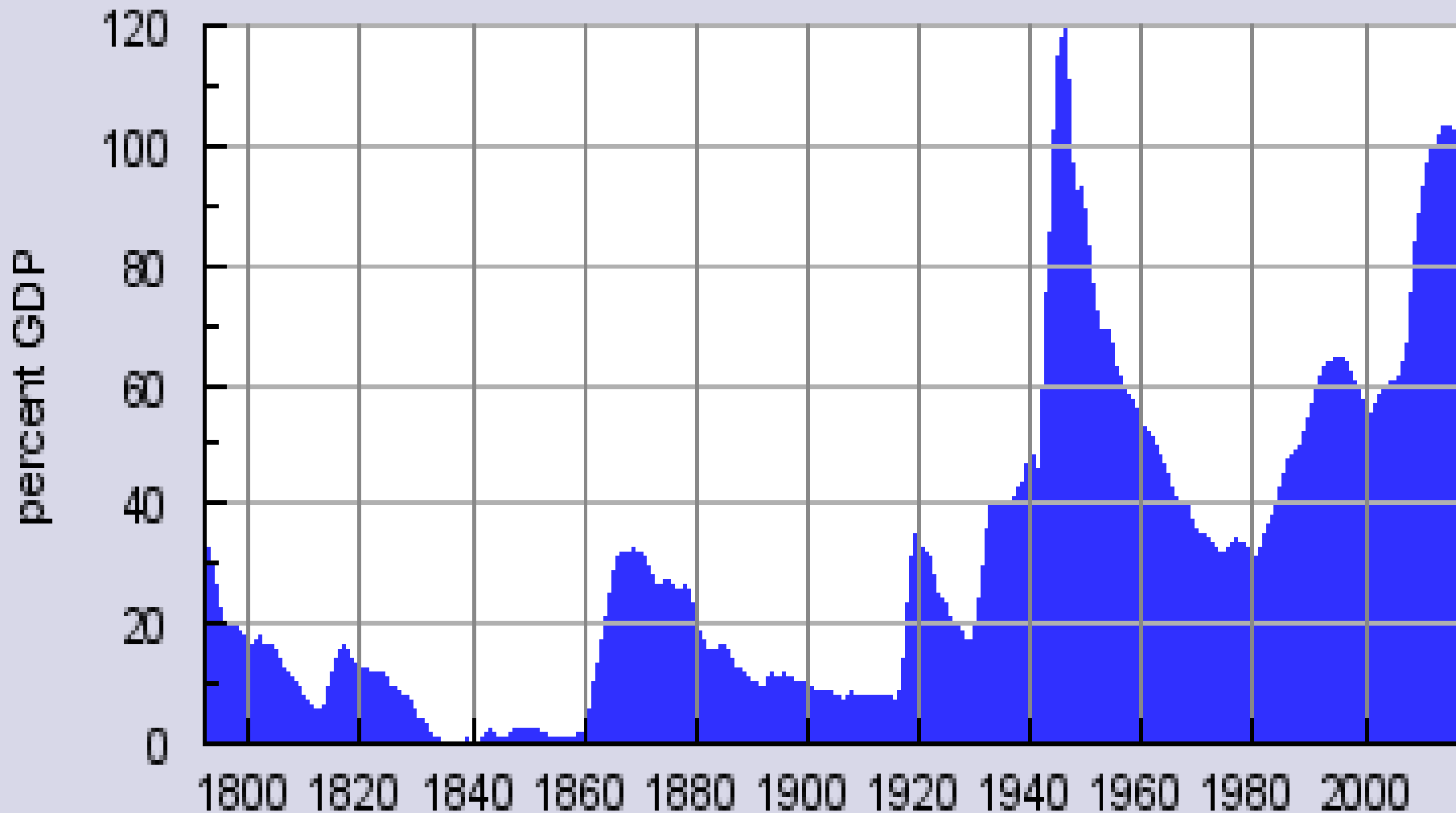
- **U.S. Economy** (?)
- **Domestic Beef Demand** (?)
- **Export Beef Demand** (?)
- **Exchange & Interest Rates** (?)
- **Energy Prices** (?)
- **Cattle Inventory Numbers** (?)
- **Pounds of Beef Production** (?)
- **Substitute Meat Production** (?)
- **Cost of Production-Cow/Calf** (?)
- **Cost of Production-Feedlot** (?)
- **Weather** (?)
- **Outliers (food safety, terrorists, war...)** (?)

# 2015 Cattle Situation and Outlook

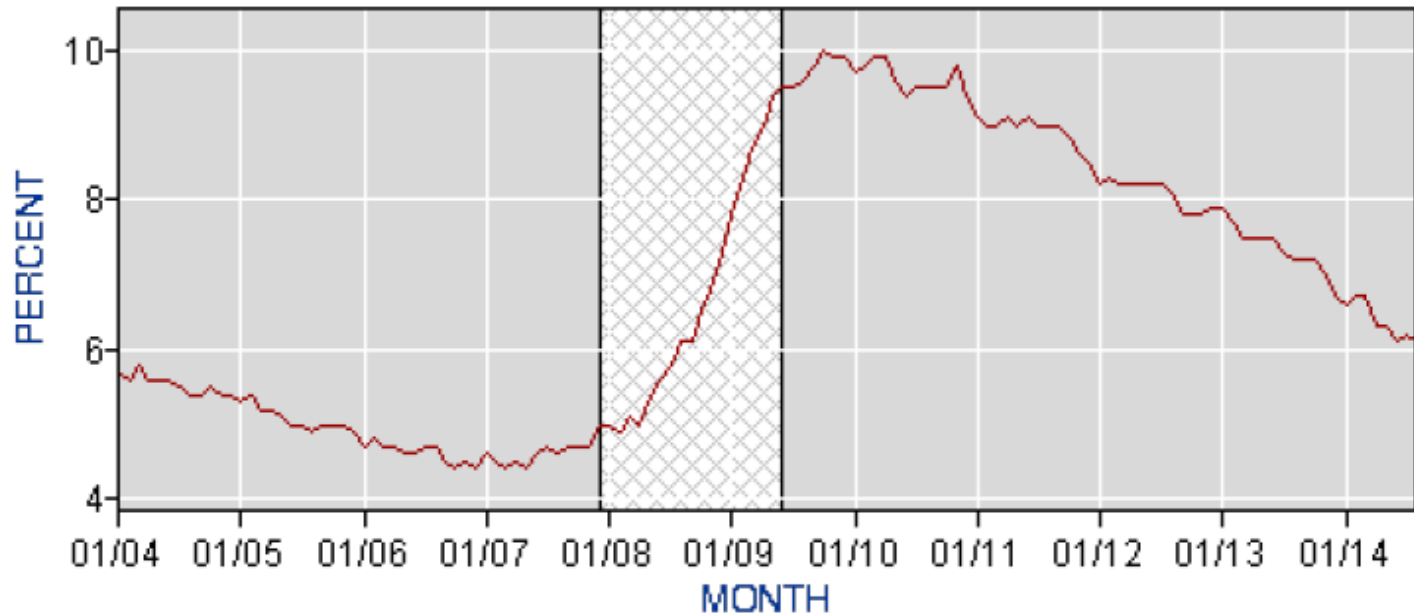
➤ **U.S. Economy**

**(+)**

# Accumulated Gross Federal Debt US from FY 1792 to FY 2016



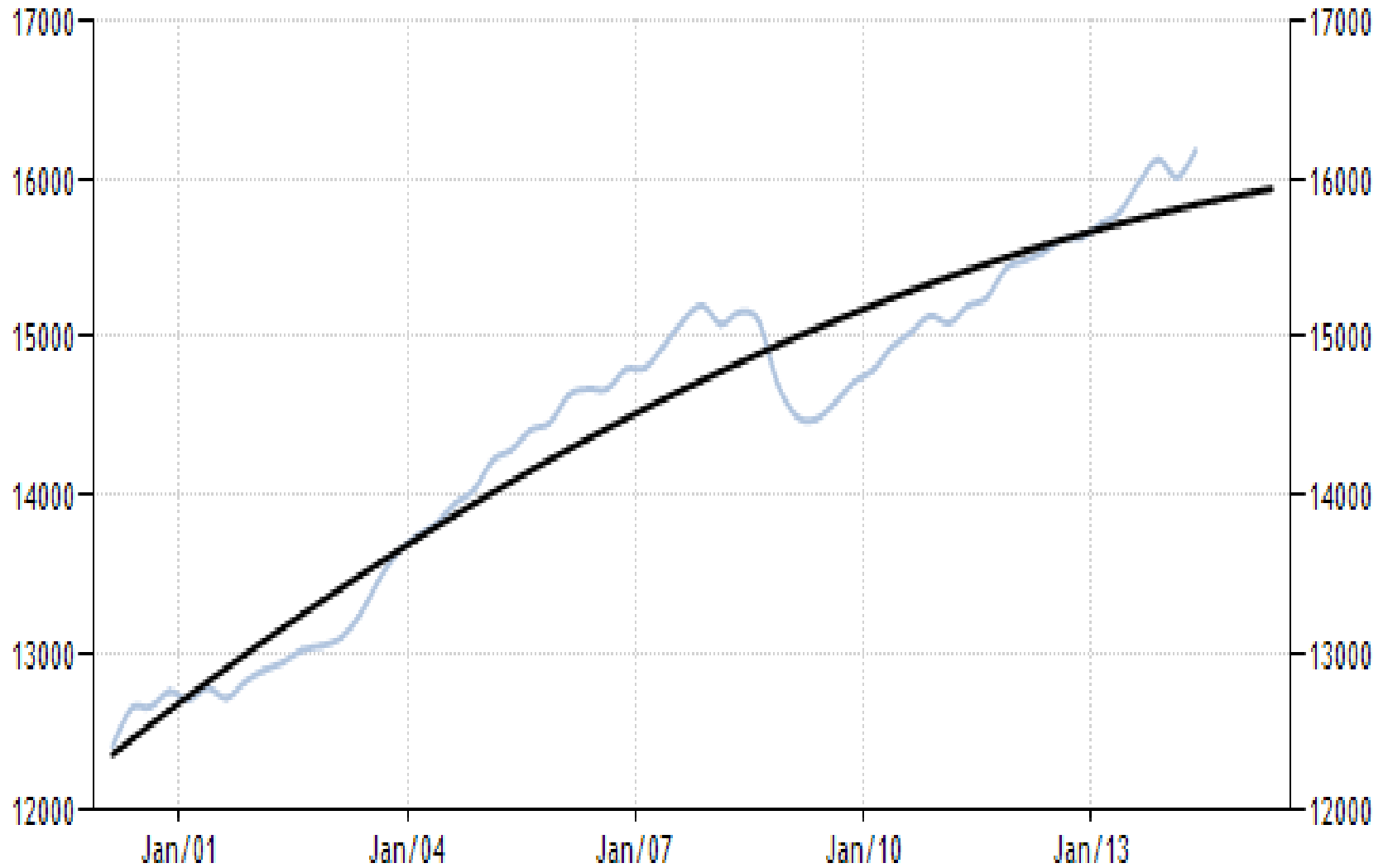
### Unemployment rate (seasonally adjusted)



Note: Cross-hatched area represents recession.

Source: Bureau of Labor Statistics, Current Population Survey

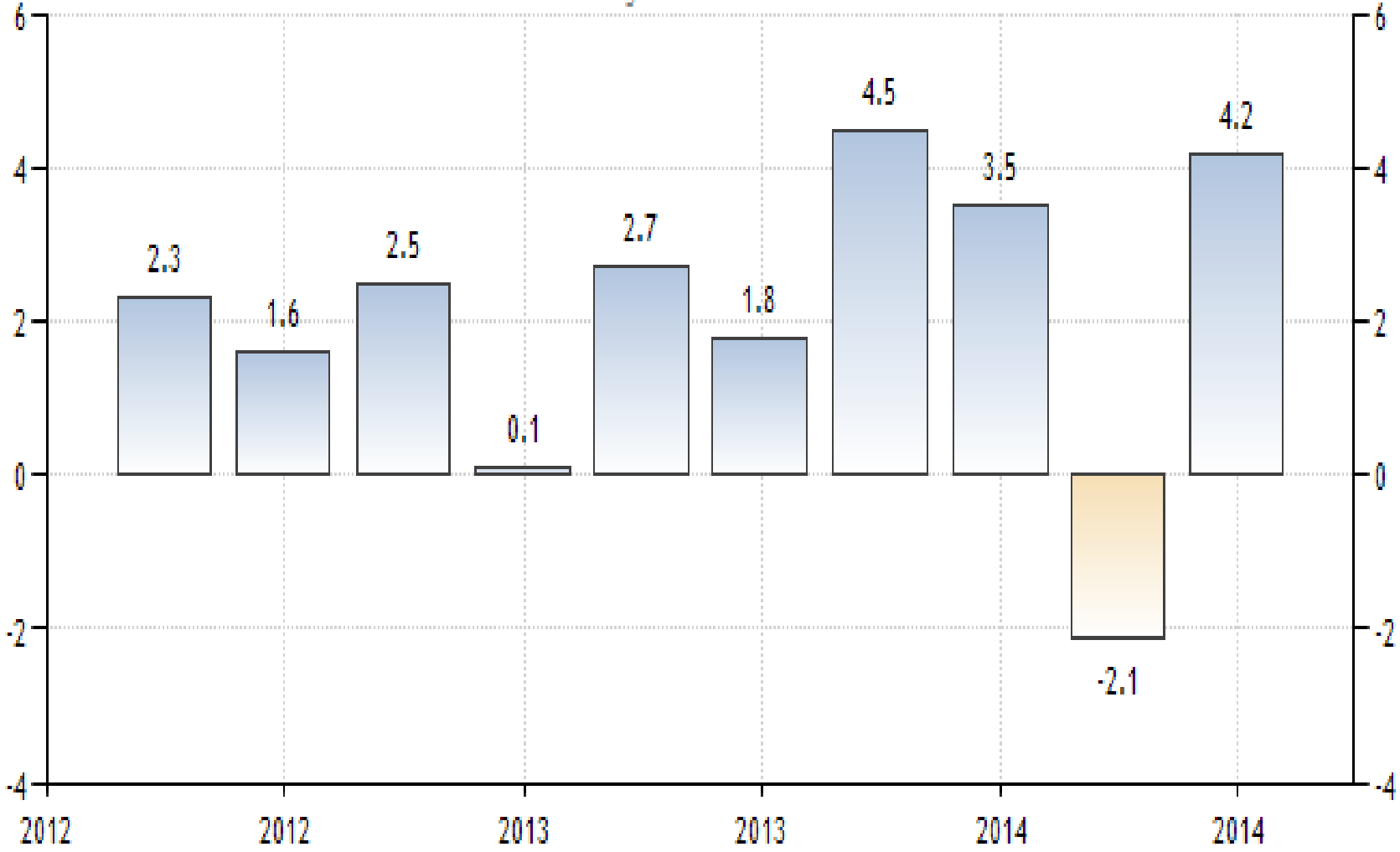
# UNITED STATES GROSS NATIONAL PRODUCT





# UNITED STATES GDP GROWTH RATE

Percent Change in Gross Domestic Product

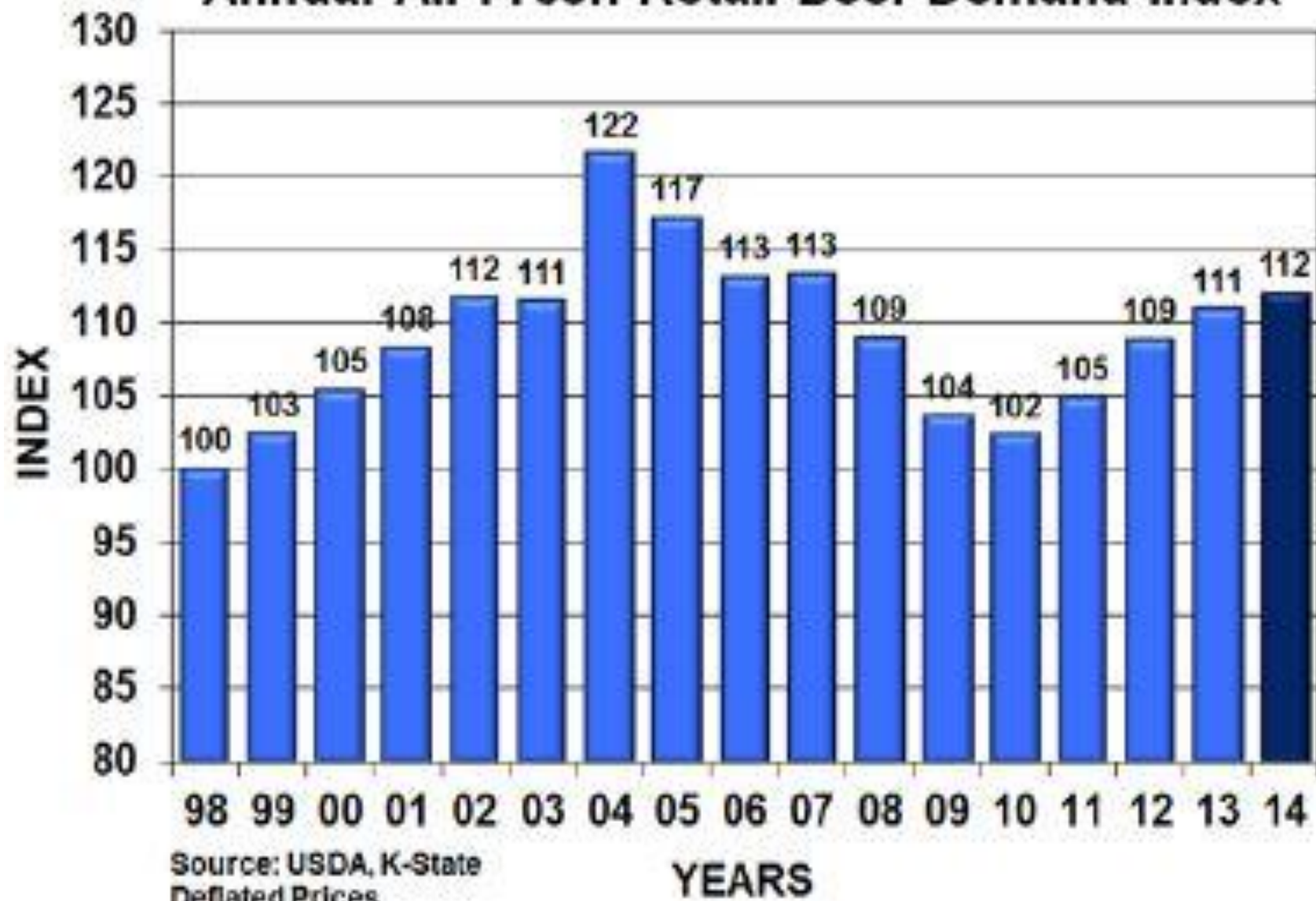


SOURCE: WWW.TRADINGECONOMICS.COM | U.S. BUREAU OF ECONOMIC ANALYSIS

# 2015 Cattle Situation and Outlook

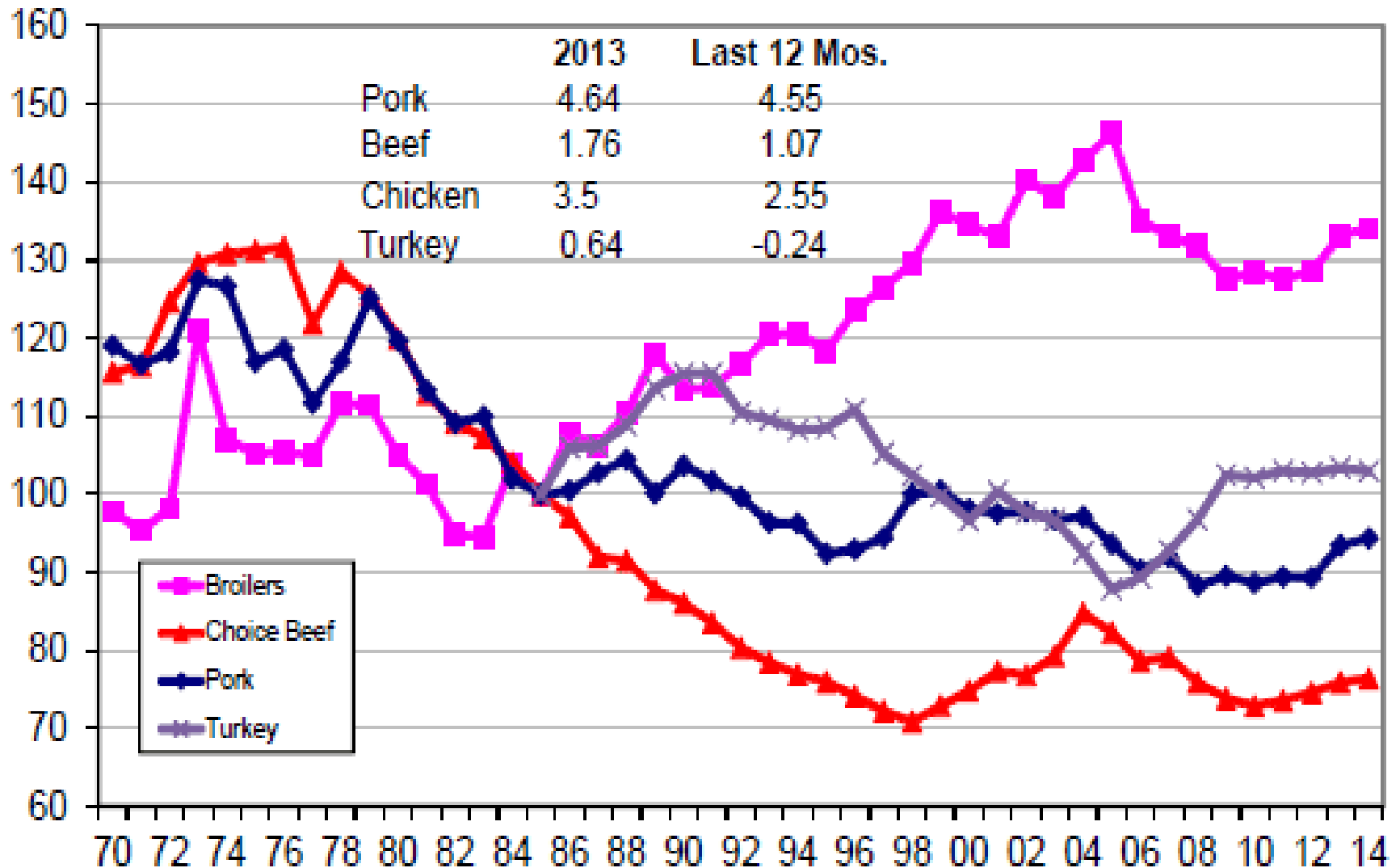
- **U.S. Economy** (+)
- **Domestic Beef Demand** (+)

## Annual All Fresh Retail Beef Demand Index



# U.S. CONSUMER DEMAND INDEXES

Index, '85=100



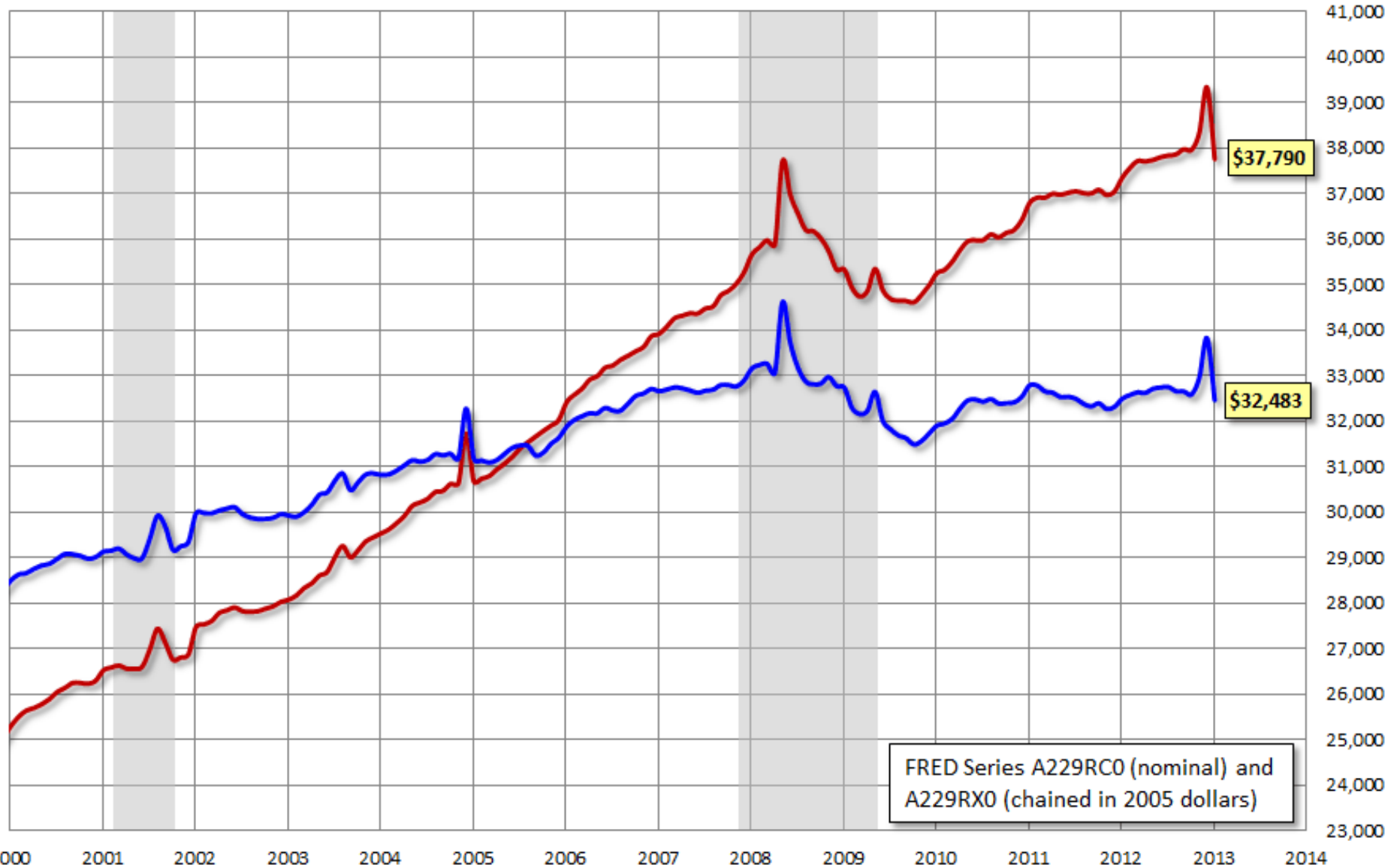
Source: Paragon Economics, Inc. using USDA data. Elasticity of demand assumed to be -0.75

# Disposable Personal Income Per Capita

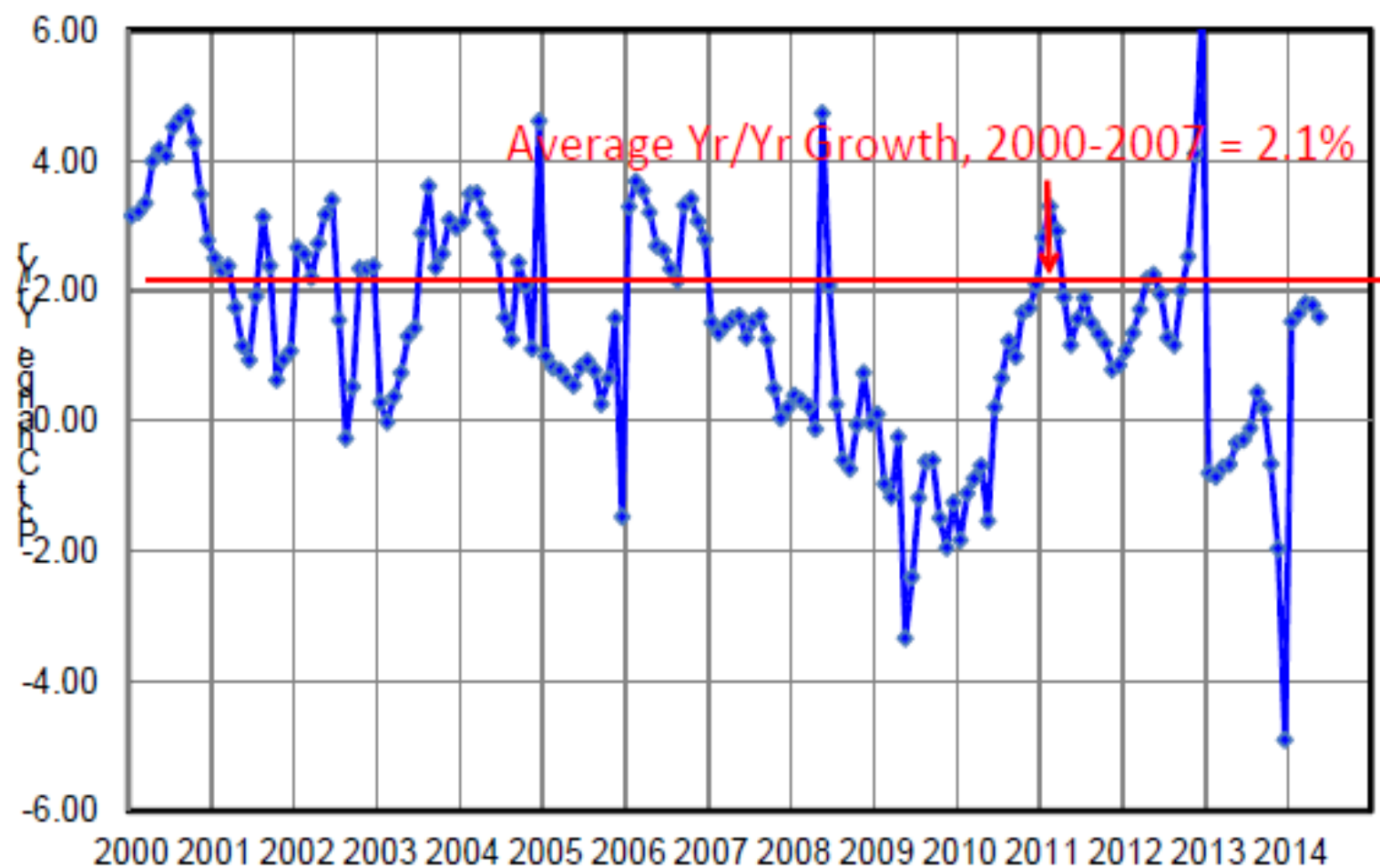
## Nominal Versus Real

dshort.com  
March 2013

Recessions    Nominal DPI per capita    DPI per capita (chained 2005 dollars)



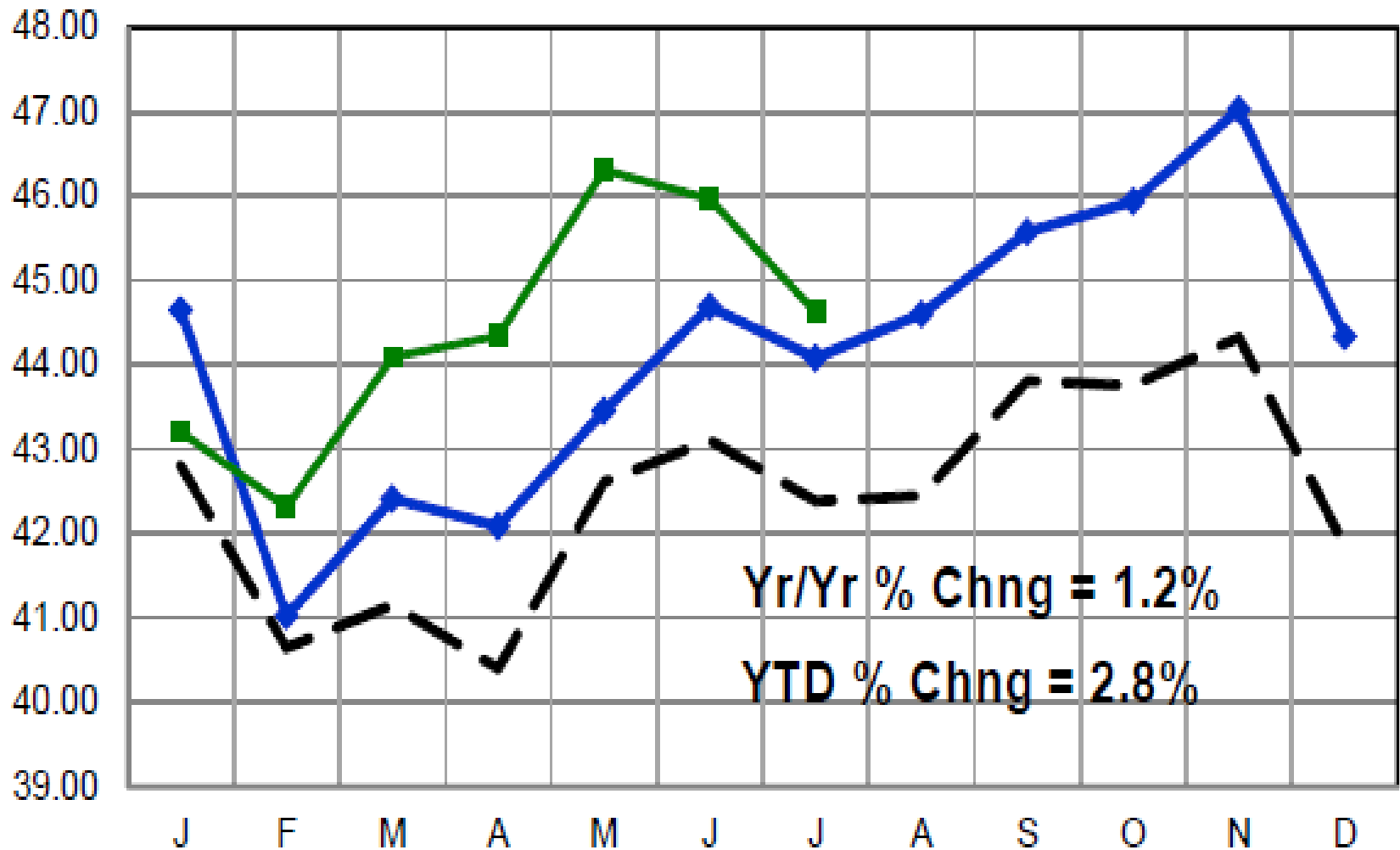
# REAL PERSONAL DISPOSABLE INCOME PER CAPITA



# TOTAL REAL PER CAPITA EXPENDITURES-- FOUR MAJOR SPECIES

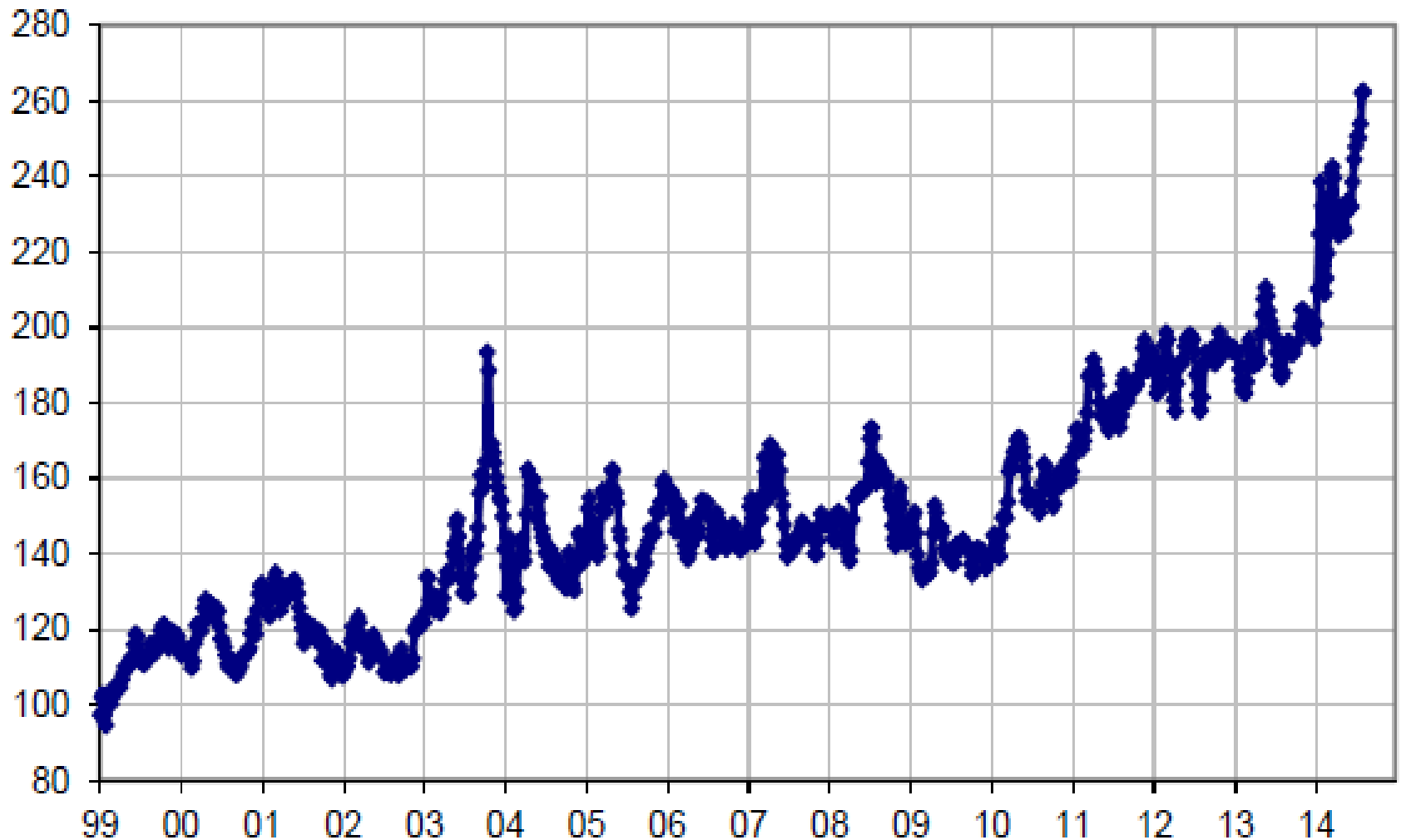
\$/month, 2000\$

◆ 2013    ■ 2014    - Avg. '09-'13



# 600-900# CHOICE BEEF CUTOUT VALUE

\$/cwt carcass

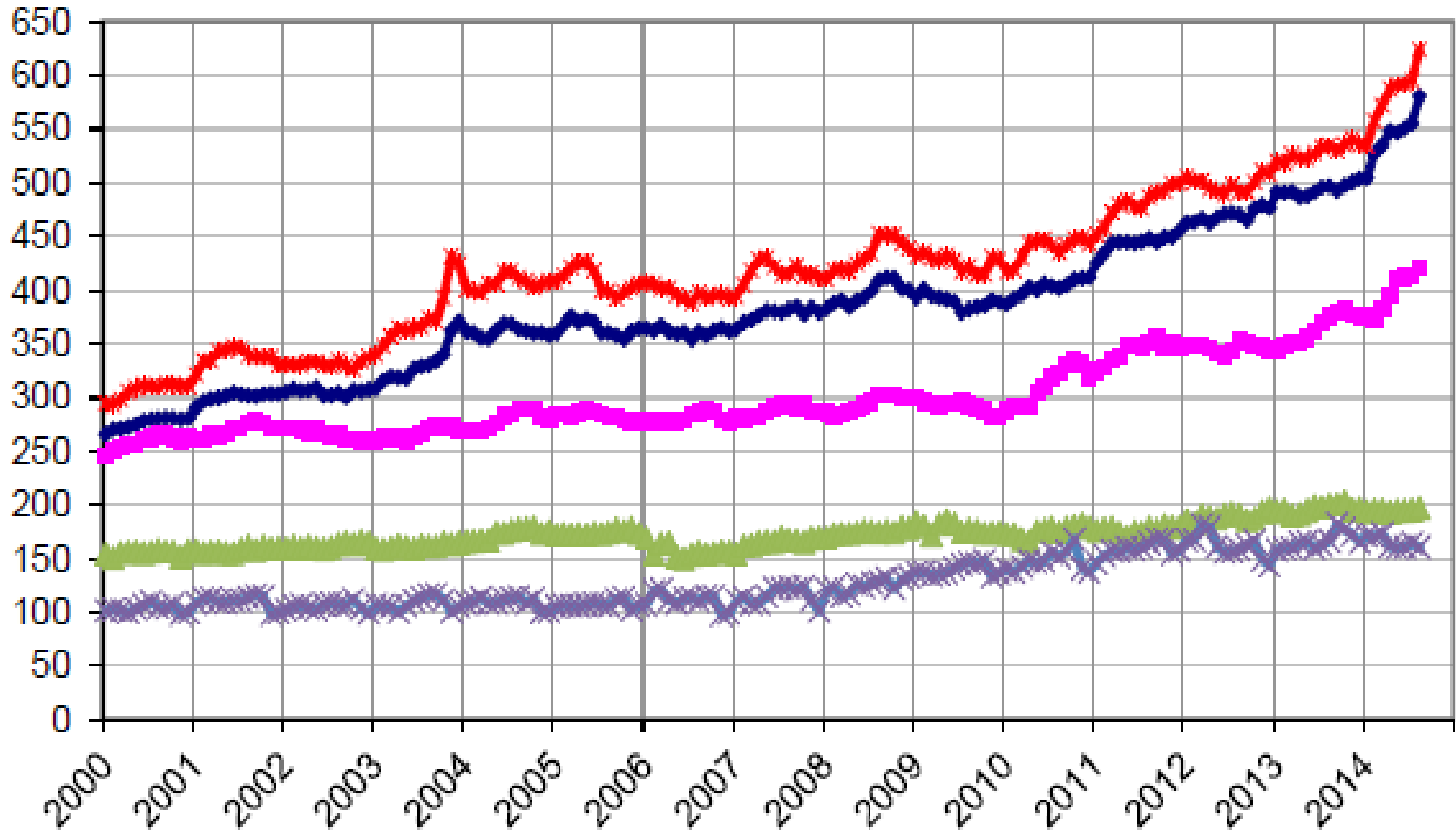




# RETAIL MEAT PRICES, USDA

◆ All-Fresh Beef    ◆ Choice Beef    ◆ Pork    ◆ Composite Broiler    ◆ Turkey

Cents/lb.



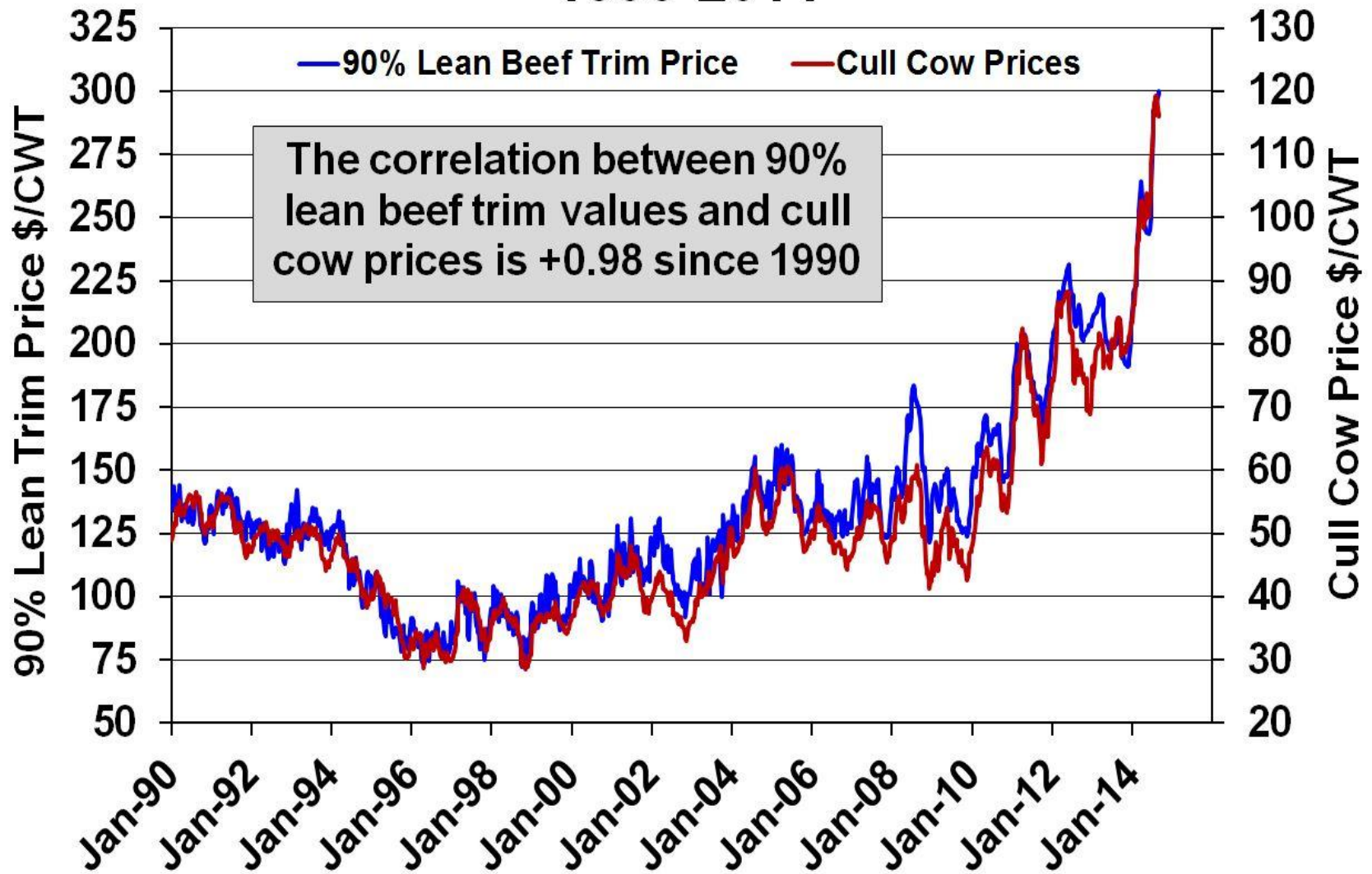
Source: USDA Economic Research Service

# Daily Kansas Fed Cattle Price



Source: CattleFax

# Cull Cow vs. 90% Lean Beef Trim Price 1990-2014



Source: USDA & CattleFax

# 2015 Cattle Situation and Outlook

- **U.S. Economy** (+)
- **Domestic Beef Demand** (+)
- **Export Beef Demand** (+)

# U.S. BEEF EXPORTS -- JULY & YTD 2014

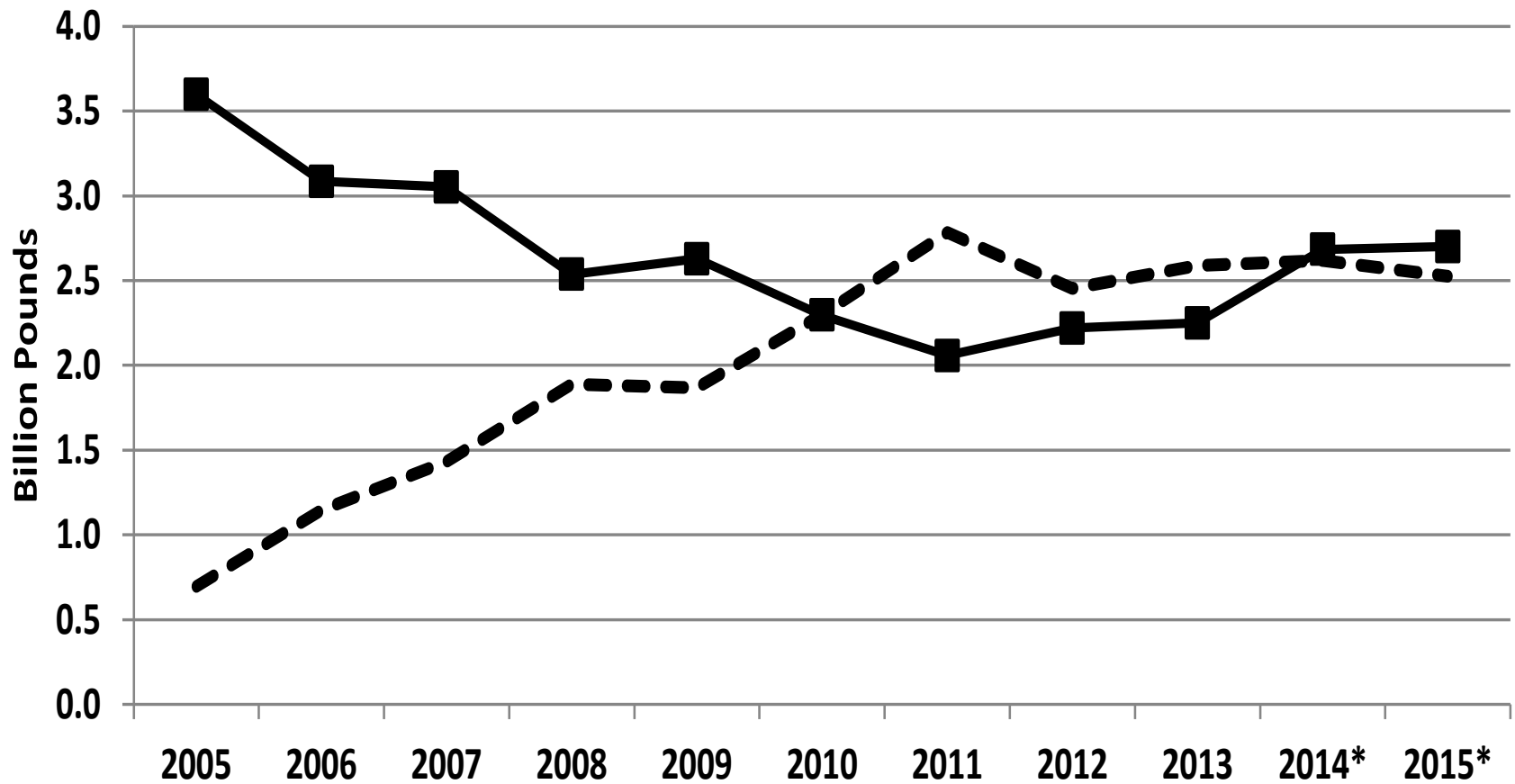
	July 2013		July 2014		Pct Change		Jan-July 2013		Jan-July 2014		Pct Change	
	Value	Volume	Value	Volume	Value	Volume	Value	Volume	Value	Volume	Value	Volume
	\$000	MT	\$000	MT			\$000	MT	\$000	MT		
<b>World Total</b>	<b>552,174</b>	<b>88377</b>	<b>553,922</b>	<b>75,441</b>	<b>0.3%</b>	<b>-14.6%</b>	<b>3,038,071</b>	<b>482,098</b>	<b>3,435,771</b>	<b>492,848</b>	<b>13.1%</b>	<b>2.2%</b>
1 Japan	136,947	25,292	143,607	22,668	4.9%	-10.4%	730,346	126,570	716,984	116,963	-1.8%	-7.6%
2 Canada	133,990	17,487	108,732	12,567	-18.9%	-28.1%	716,899	100,553	603,287	78,216	-15.8%	-22.2%
3 Mexico	70,530	13,473	74,553	11,831	5.7%	-12.2%	358,670	66,735	508,295	83,139	41.7%	24.6%
4 Hong Kong	86,827	13,316	71,046	9,182	-18.2%	-31.0%	354,850	56,063	556,851	78,895	56.9%	40.7%
5 Korea, South	40,889	7,385	63,318	8,757	54.9%	18.6%	282,358	51,467	425,902	61,613	50.8%	19.7%
6 Taiwan	14,989	1,807	29,341	3,286	95.8%	81.8%	139,413	17,393	161,724	19,299	16.0%	11.0%
7 Netherlands	13,573	1,272	12,265	1,105	-9.6%	-13.1%	74,732	6,693	74,229	6,662	-0.7%	-0.5%
8 Philippines	3,704	558	4,097	686	10.6%	23.0%	28,633	4,291	28,328	5,041	-1.1%	17.5%
9 Chile	6,248	1,075	4,362	668	-30.2%	-37.9%	34,369	5,786	35,736	5,434	4.0%	-6.1%
10 Dominican Republic	2,659	291	2,826	399	6.3%	37.3%	18,519	2,051	25,504	3,158	37.7%	53.9%
11 United Arab Emirates	5,272	475	5,162	399	-2.1%	-16.1%	35,287	3,155	34,701	2,919	-1.7%	-7.5%
12 Italy	4,861	429	4,254	362	-12.5%	-15.5%	39,932	3,415	43,101	3,515	7.9%	2.9%
13 Germany	3,578	421	3,924	345	9.7%	-18.1%	21,711	2,307	26,213	2,461	20.7%	6.7%
14 Kuwait	1,337	161	3,179	323	137.8%	100.4%	16,192	1,715	17,704	1,863	9.3%	8.6%
15 Bahamas, The	1,680	258	2,210	311	31.5%	20.7%	12,243	1,856	12,335	1,817	0.8%	-2.1%
16 Vietnam	1,527	218	1,070	128	-29.9%	-41.3%	20,163	3,146	9,742	1,404	-51.7%	-55.4%
17 Egypt	4,082	2,220	88	31	-97.8%	-98.6%	23,154	12,824	4,796	916	-79.3%	-92.9%
18 Russia	126	7	58	2	-54.0%	-72.7%	676	38	216	8	-68.0%	-77.6%

\*Ranked by July 2014 volume

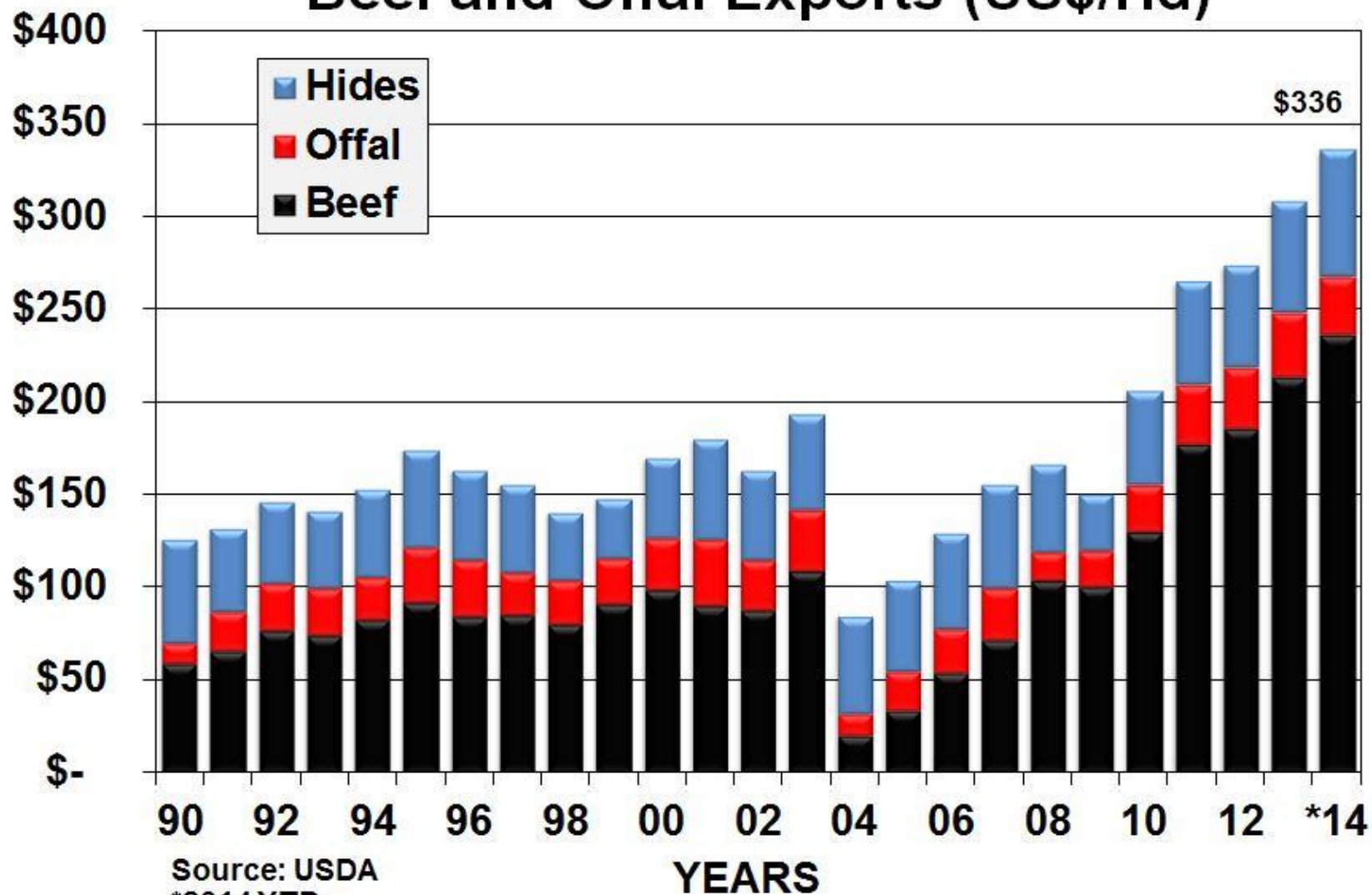
# U.S. Beef Exports and Imports, 2005-2015

(2014 and 2015 projected)

---• U.S. Beef Exports    —■ U.S. Beef Imports

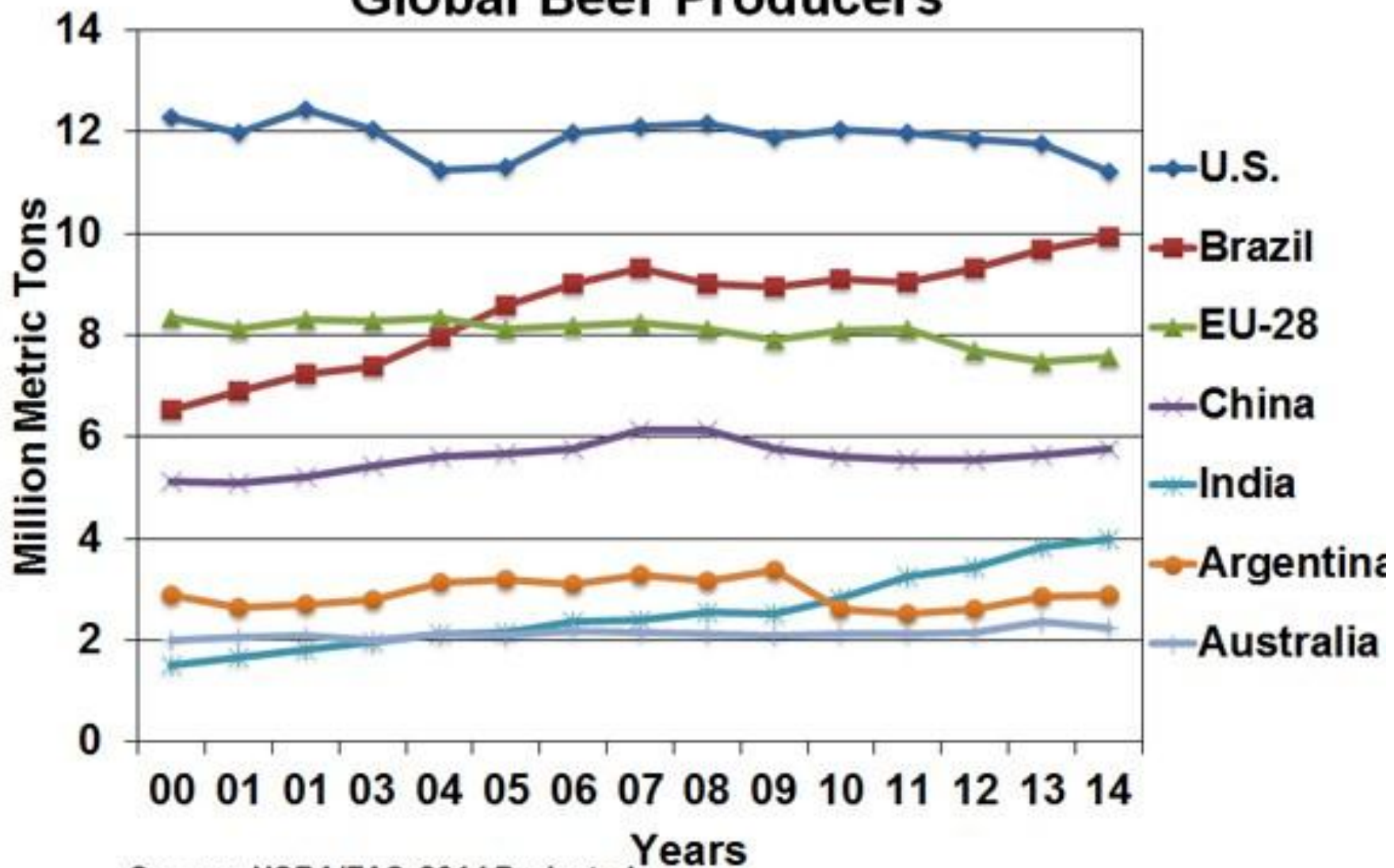


## Beef and Offal Exports (US\$/Hd)



Source: USDA  
\*2014 YTD

## Global Beef Producers



Source: USDA/FAS, 2014 Projected



# 2015 Cattle Situation and Outlook

- **U.S. Economy** (+)
- **Domestic Beef Demand** (+)
- **Export Beef Demand** (+)
- **Exchange & Interest Rates** (?)

# Impact of Exchange Rates on U.S. Imports and Exports

Item	Stronger Dollar	Weaker Dollar
U. S. Imports	Increases Imports	Decreases Imports
U. S. Exports	Decreases Exports	Increases Exports

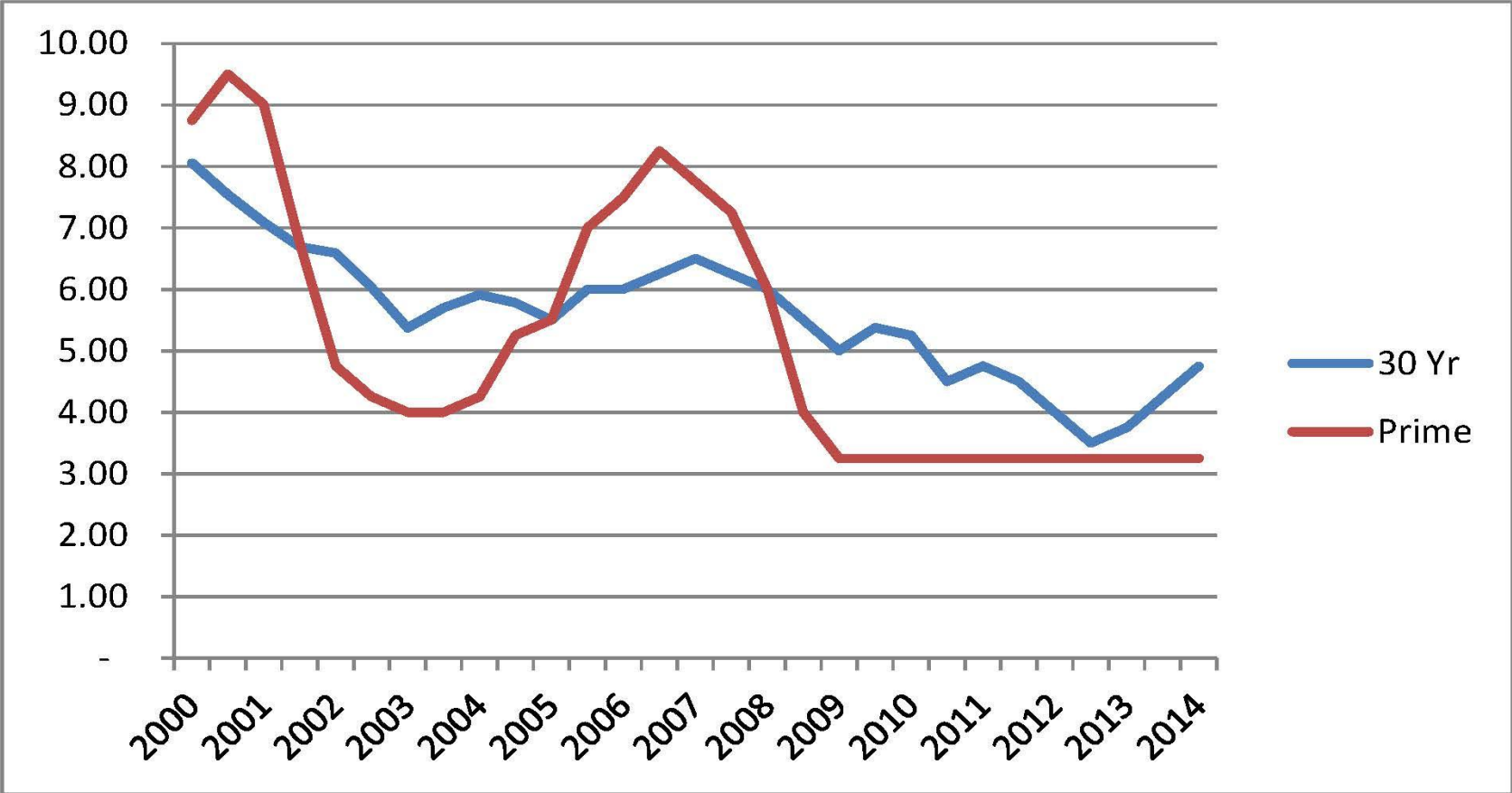
# U.S. Dollar vs. Japanese Yen



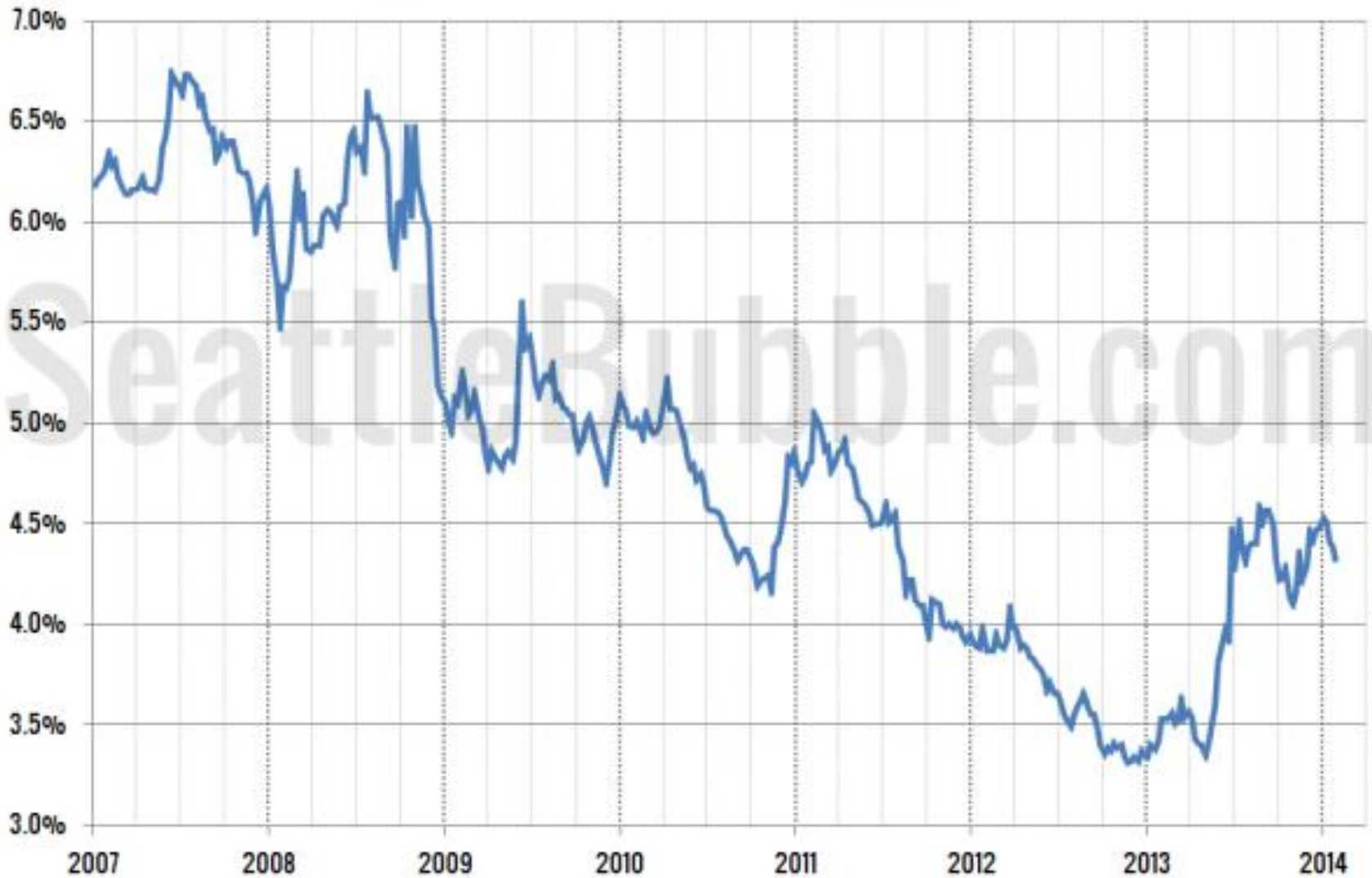
# U.S. Dollar vs. Canadian Dollar



30yr Fixed and Prime Rate Since Y2K



# Weekly Conventional Mortgage Rates



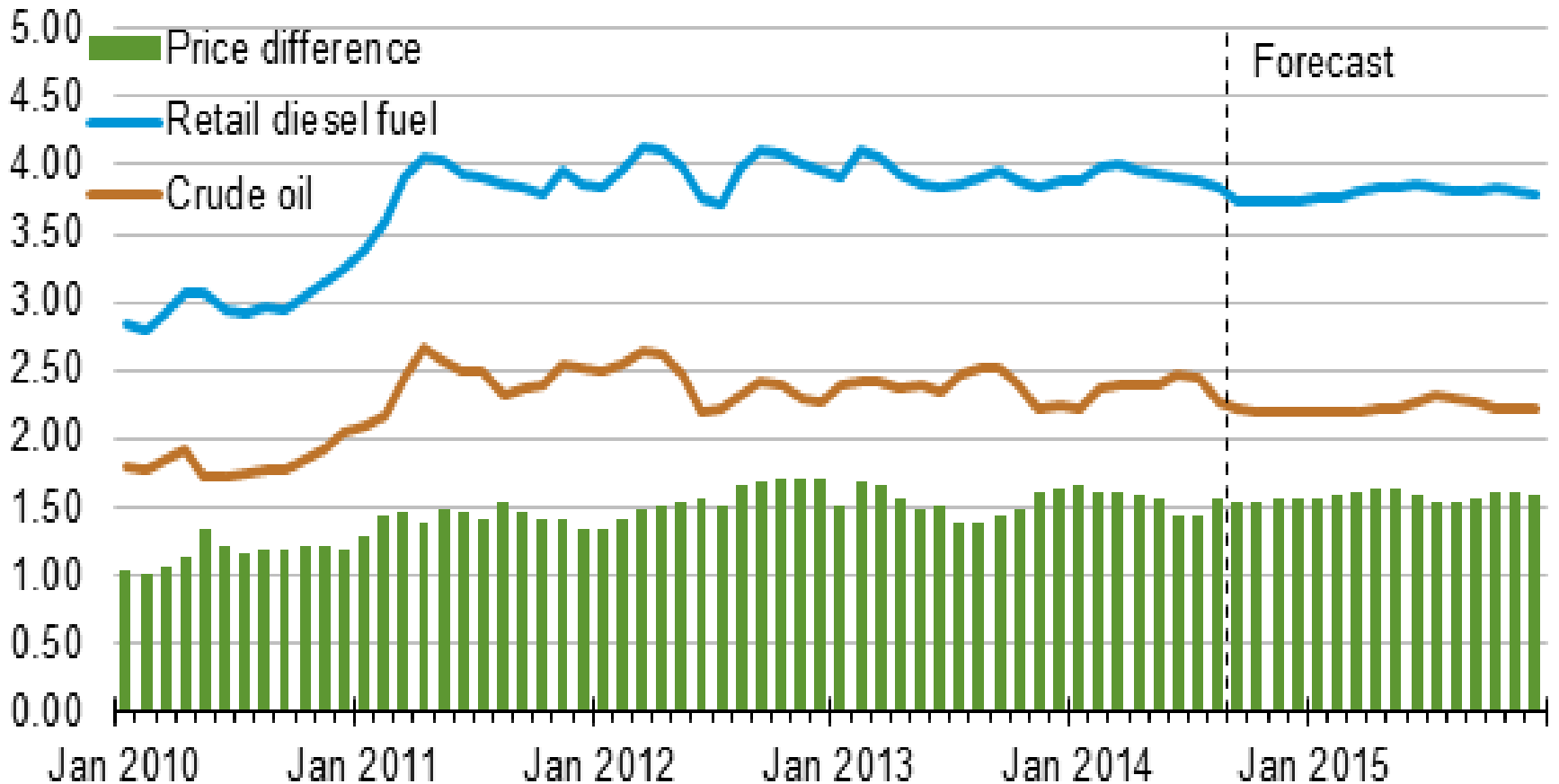
# 2015 Cattle Situation and Outlook

- **U.S. Economy** (+)
- **Domestic Beef Demand** (+)
- **Export Beef Demand** (+)
- **Exchange & Interest Rates** (?)
- **Energy Prices** (?)

# U.S. Diesel Fuel and Crude Oil Prices



dollars per gallon

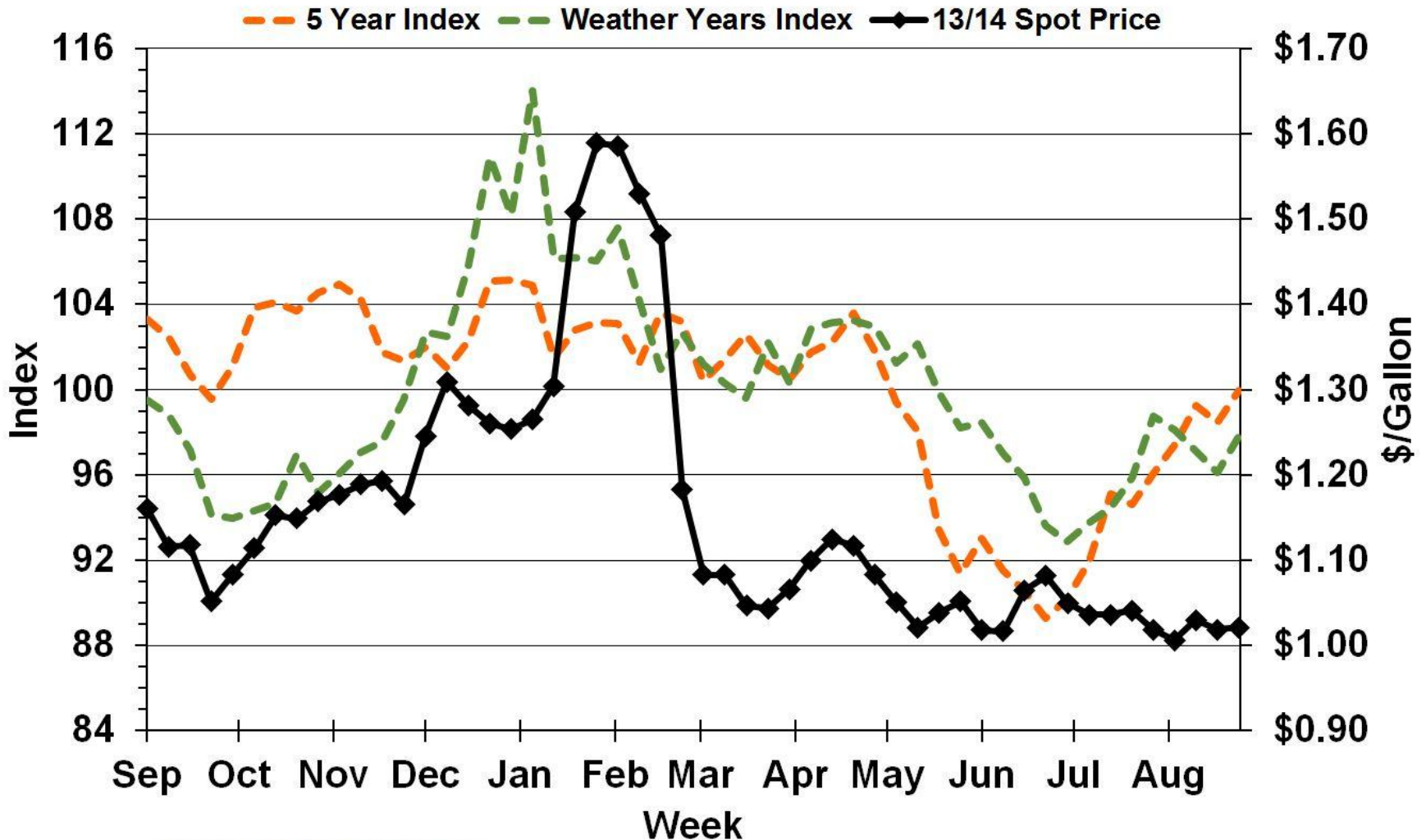


Crude oil price is composite refiner acquisition cost. Retail prices include state and federal taxes.

Source: Short-Term Energy Outlook, September 2014.



# Weekly Spot Propane FOB Texas Gulf



Source: EIA, CattleFax

# 2015 Cattle Situation and Outlook

- **U.S. Economy** (+)
- **Domestic Beef Demand** (+)
- **Export Beef Demand** (+)
- **Exchange & Interest Rates** (?)
- **Energy Prices** (?)
- **Cattle Inventory Numbers** (+)

# Top 10 Countries With The Most Cattle and Calves

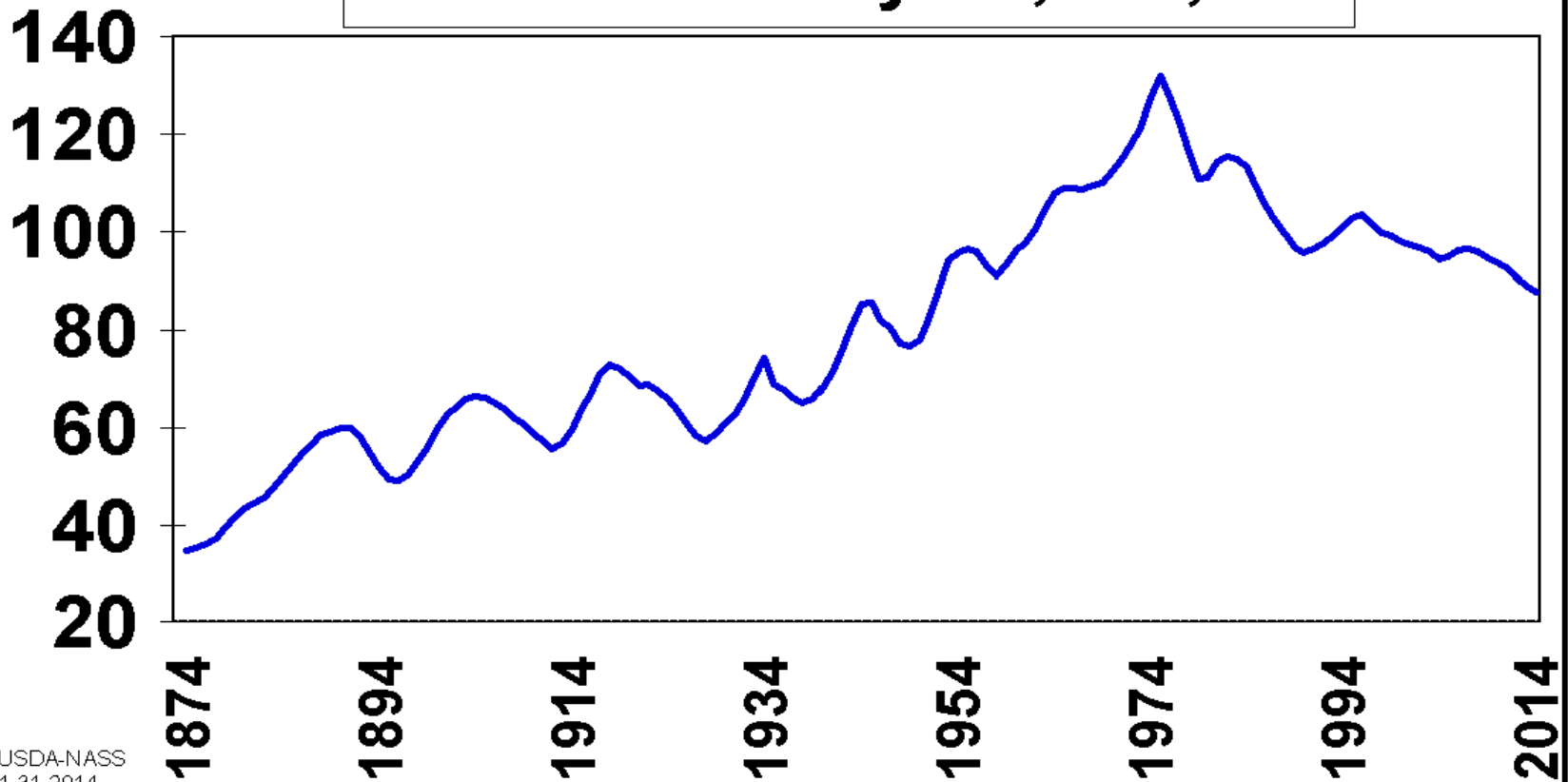
Rank	Country	Total Head, 2014	% of World
1	India	329,700,000	31.90%
2	Brazil	207,960,000	20.12%
3	China	104,188,000	10.08%
4	European Union	88,000,000	8.51%
5	United States	87,730,000	8.49%
6	Argentina	51,745,000	5.01%
7	Colombia	30,240,000	2.93%
8	Australia	28,250,000	2.73%
9	Russia	19,514,000	1.89%
10	Mexico	17,760,000	1.72%

[World total was 1,033,520,000]

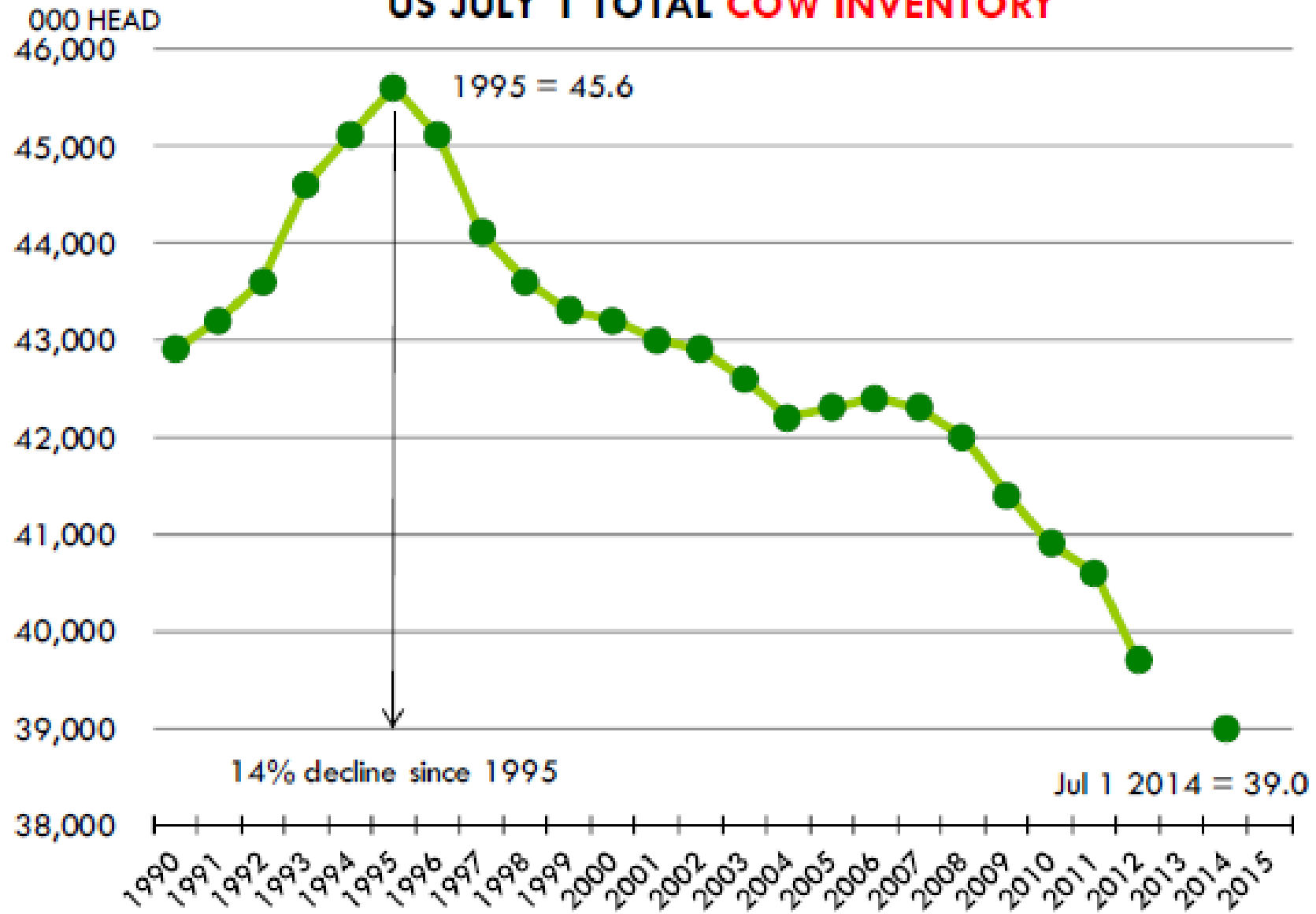
# January 1 U.S. Cattle Inventory 1874-2014

Million

2014 Inventory 87,730,000



# US JULY 1 TOTAL COW INVENTORY

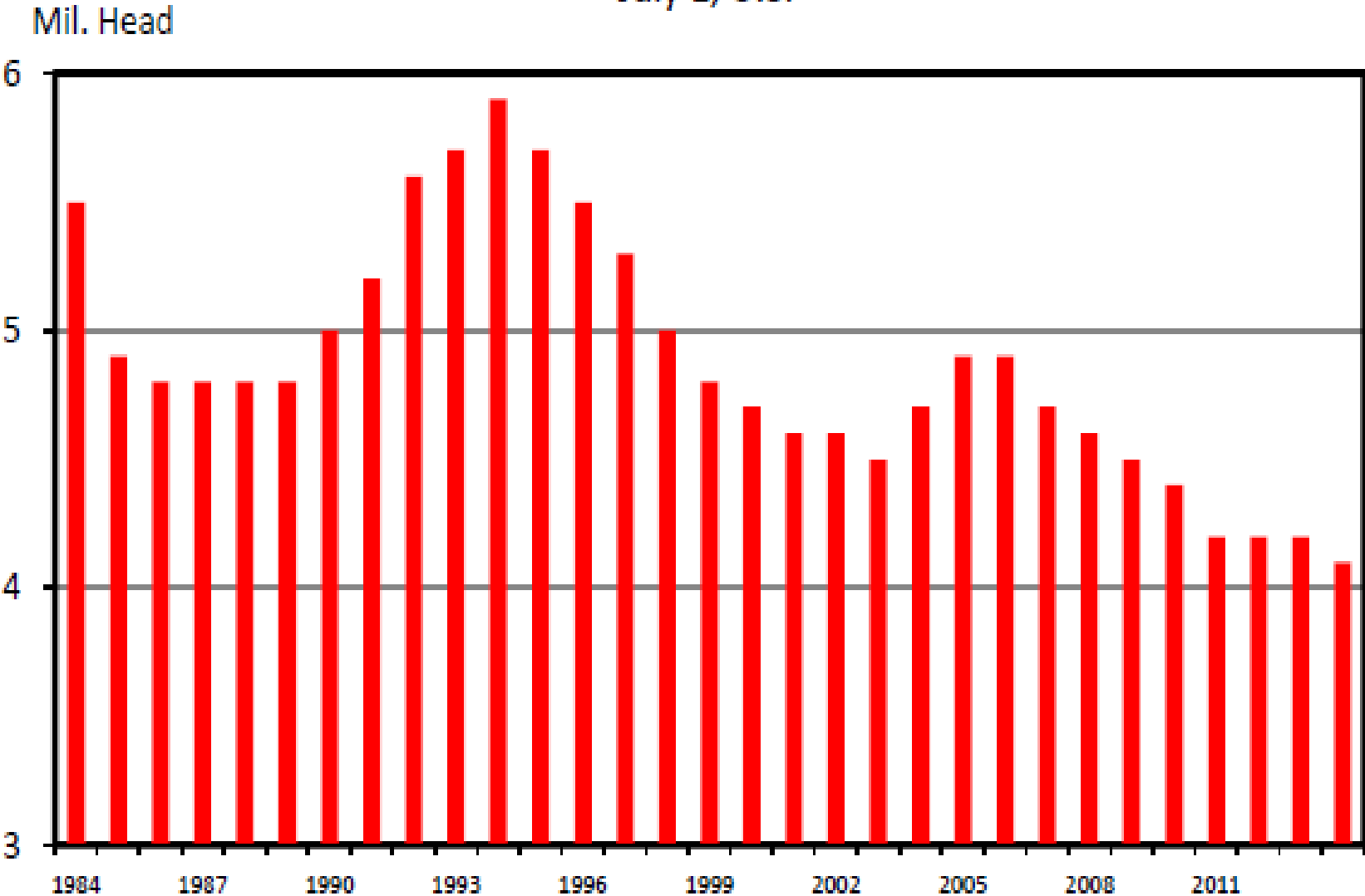


# JULY 1st U. S. CATTLE INVENTORY

INVENTORY (000 OMITTED)	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	% of 2012
ALL CATTLE AND CALVES	105,800	105,100	103,600	102,900	103,800	104,800	104,300	103,300	102,000	101,100	100,000	97,800	N/A	95,000	97.1%
COW AND HEIFERS THAT HAVE CALVED	43,000	42,900	42,600	42,200	42,300	42,400	42,300	42,000	41,400	40,900	40,600	39,700	N/A	39,000	98.2%
BEEF COWS	33,900	33,750	33,500	33,200	33,250	33,250	33,150	32,650	32,200	31,750	31,400	30,500	N/A	29,733	97.5%
DAIRY COWS	9,100	9,150	9,100	9,000	9,050	9,150	9,150	9,350	9,200	9,150	9,200	9,200	N/A	9,267	100.7%
HEIFERS 500LBS. AND OVER	16,400	16,200	15,800	15,850	16,100	16,500	16,500	16,300	16,200	16,200	16,000	15,700	N/A	14,900	94.9%
BEEF COW REPLACEMENT	4,600	4,600	4,500	4,700	4,900	4,900	4,700	4,600	4,500	4,400	4,200	4,200	N/A	4,100	97.6%
DAIRY COW REPLACEMENT	3,600	3,700	3,600	3,600	3,700	3,800	3,900	3,900	3,950	4,050	4,200	4,100	N/A	3,900	95.1%
OTHER HEIFERS	8,200	7,900	7,700	7,550	7,500	7,800	7,900	7,800	7,750	7,750	7,600	7,400	N/A	6,900	93.2%
STEERS 500 LBS. AND OVER	14,600	14,500	14,200	14,200	14,600	15,100	14,900	14,700	14,400	14,400	14,200	14,000	N/A	13,500	96.4%
BULLS 500 LBS. AND OVER	2,100	2,100	2,100	2,050	2,100	2,100	2,100	2,100	2,100	2,100	2,000	1,900	N/A	1,900	100.0%
HFRS, STRS AND BULLS UNDER 500 LBS.	29,700	29,400	28,900	28,600	28,700	28,700	28,500	28,200	27,900	27,500	27,200	26,500	N/A	25,700	97.0%
ANNUAL CALF CROP	38,300	38,224	37,593	37,260	37,106	37,016	36,759	36,153	35,939	35,685	35,313	34,279	N/A	33,600	98.0%

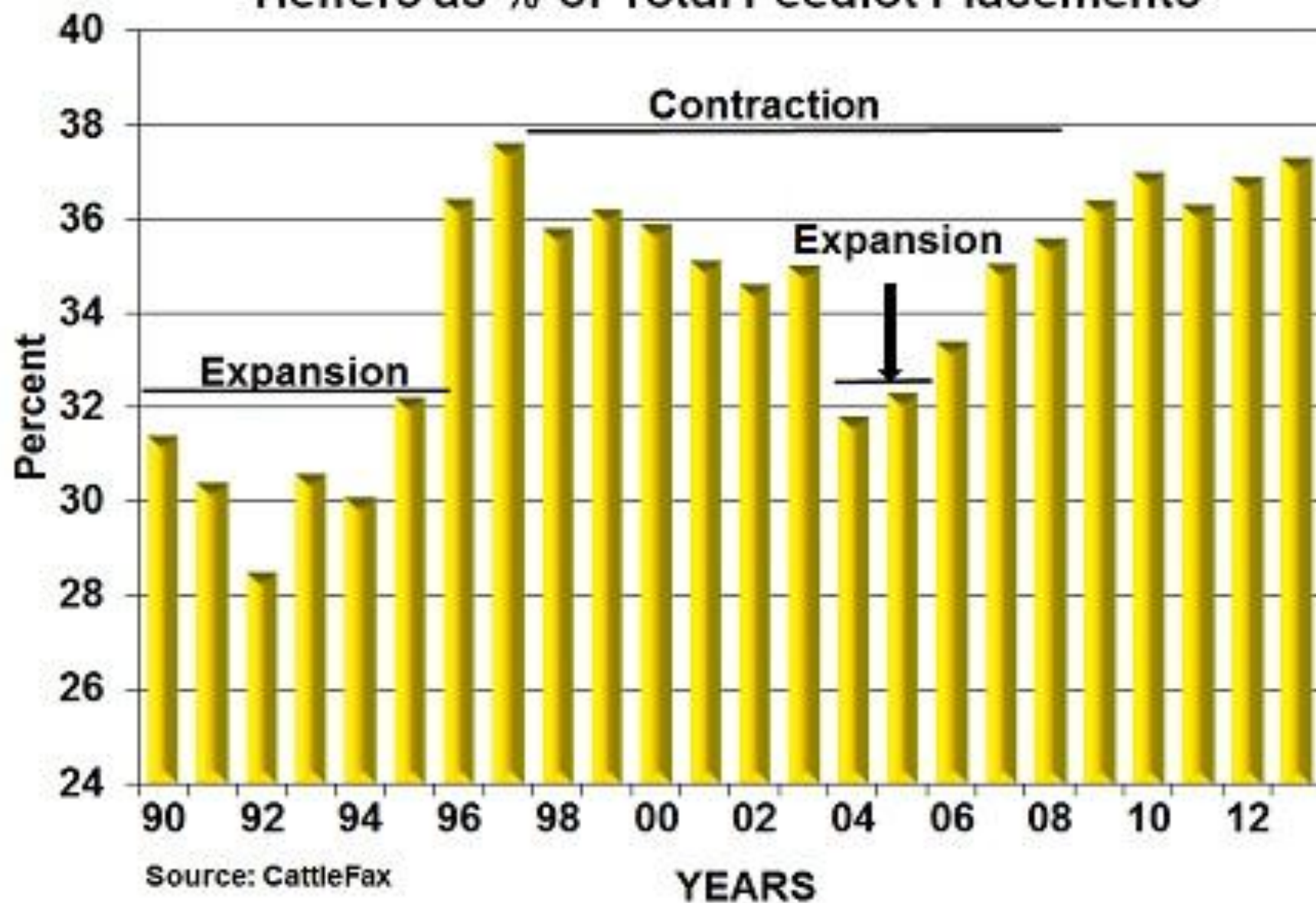
# HEIFERS HELD AS BEEF COW REPLACEMENTS

July 1, U.S.



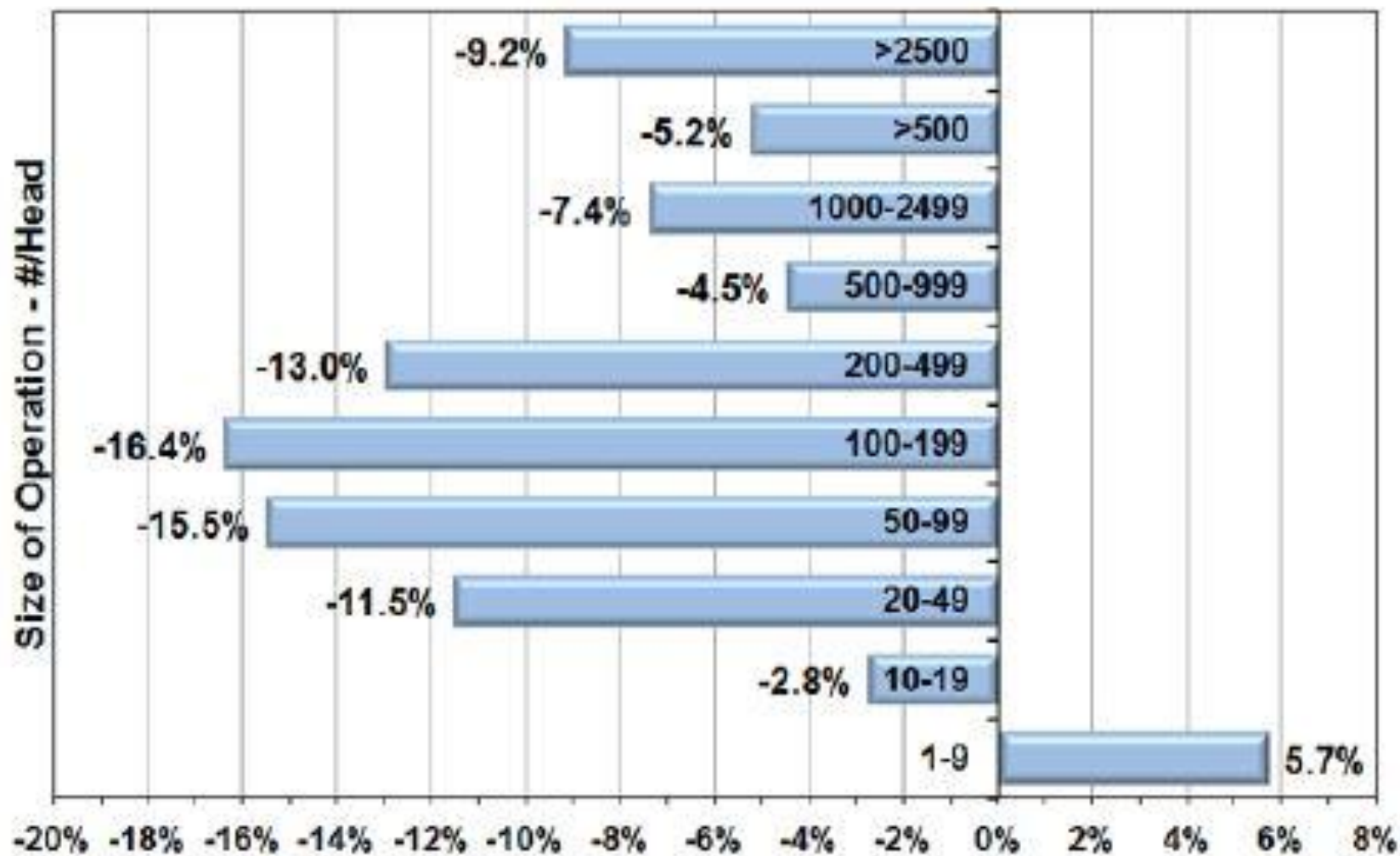
Data Source: USDA-NASS, Chart by Livestock Marketing Information Center

## Heifers as % of Total Feedlot Placements



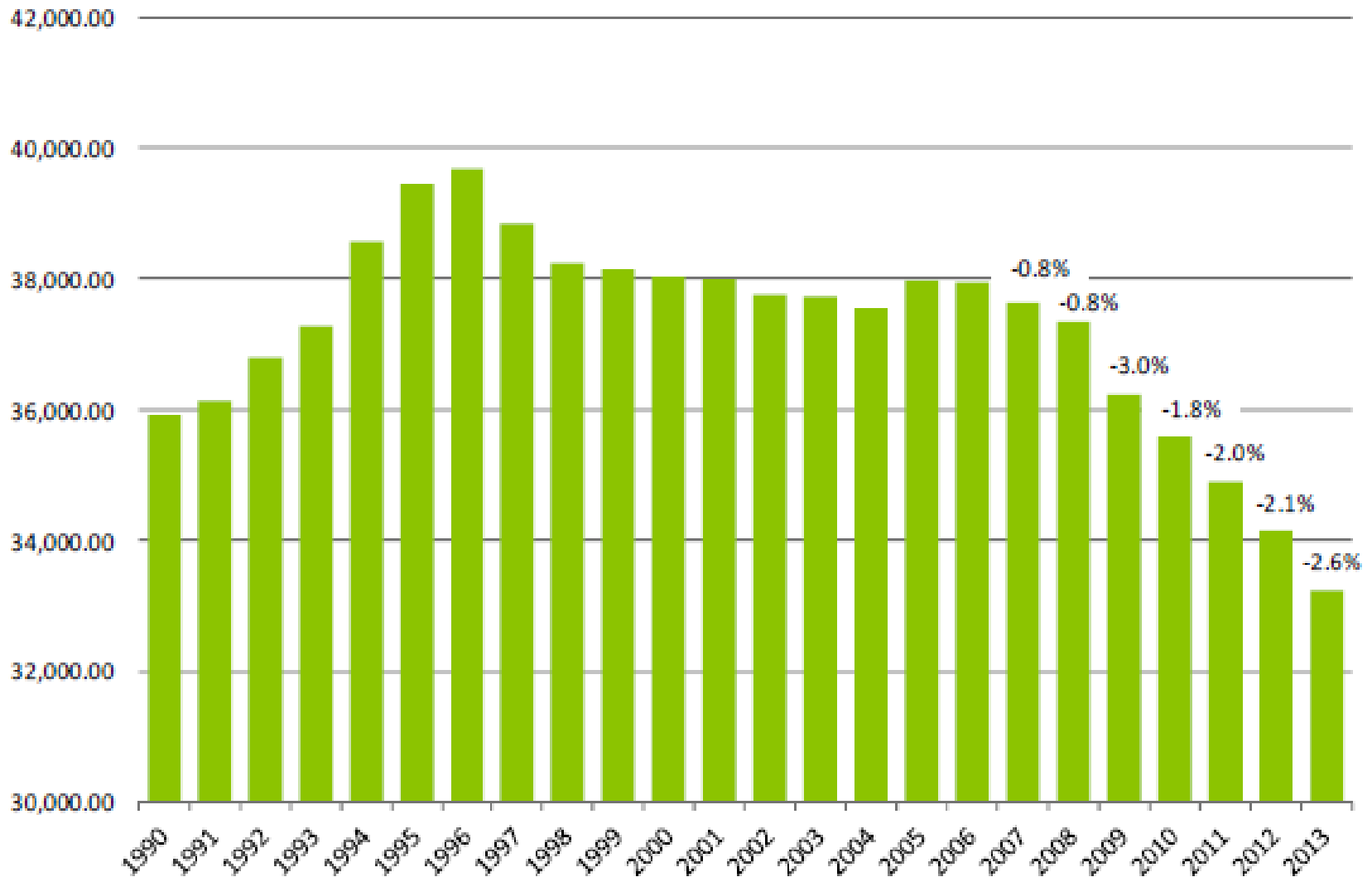


# % Change in Cow-Calf Operations 2012 vs 2007



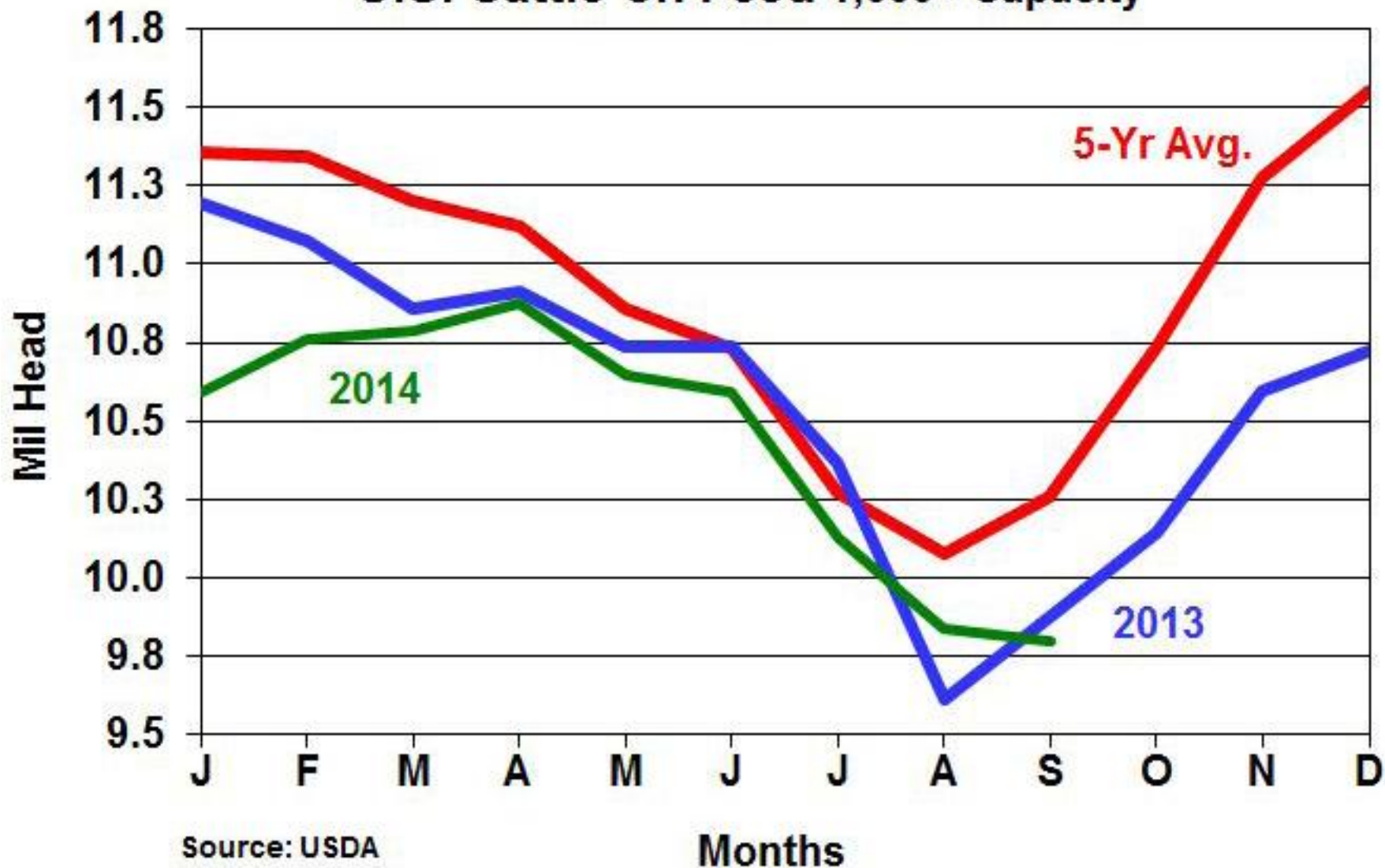
000 HEAD

## COMBINED US AND CANADA JANUARY BEEF COW INVENTORY





## U.S. Cattle on Feed 1,000+ Capacity



Source: USDA

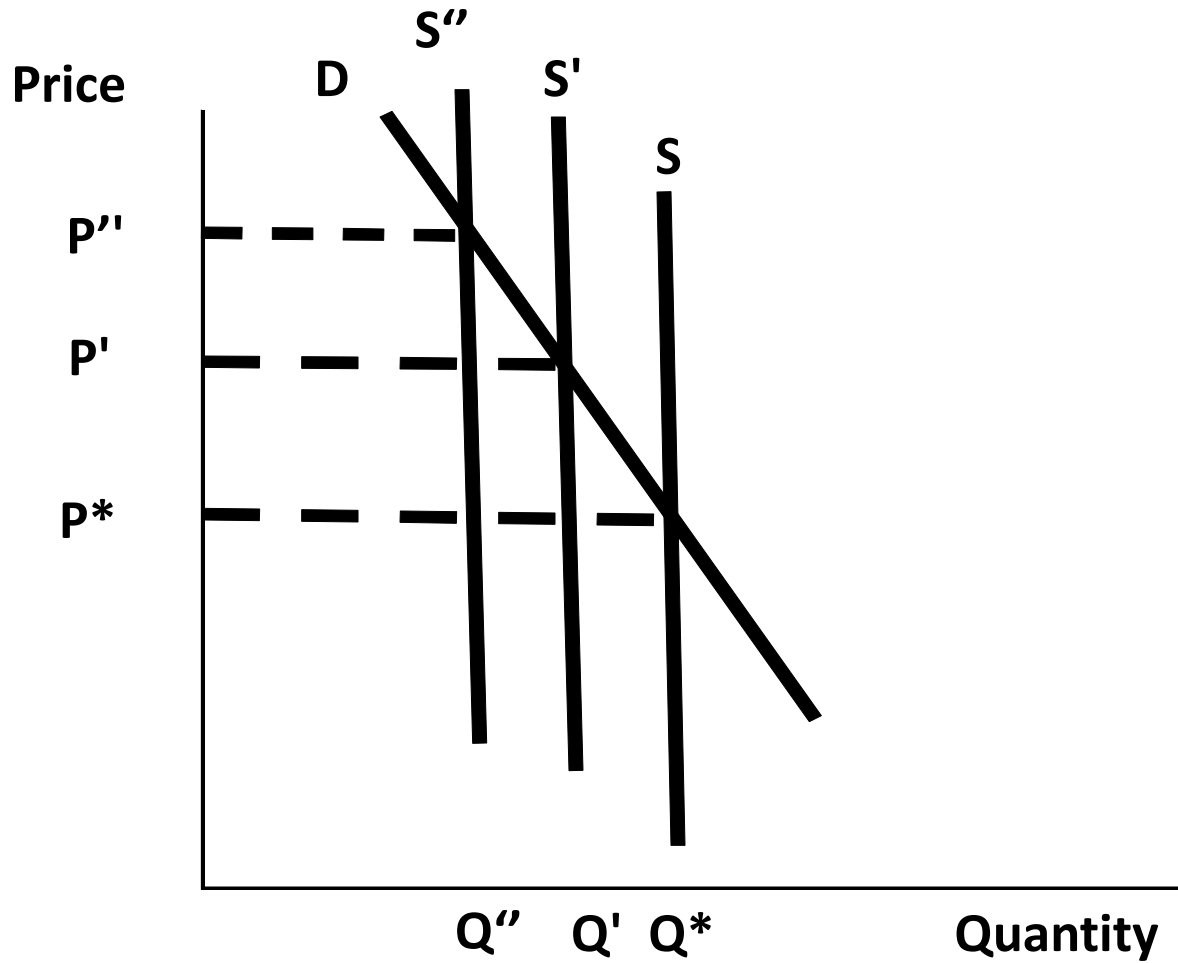
## **Slaughter Reductions 2015 vs. 2013**

- **1.2 Million Non-Fed**
- **1.3 Million Fed**
- **2.5 million Total**
- **10,000/day**
- **2 - 5,000/day packing plants**
- **1 - 5,000/day and 5 - 1,000/day packing plants**

# 2015 Cattle Situation and Outlook

- **U.S. Economy** (+)
- **Domestic Beef Demand** (+)
- **Export Beef Demand** (+)
- **Exchange & Interest Rates** (?)
- **Energy Prices** (?)
- **Cattle Inventory Numbers** (+)
- **Pounds of Beef Production** (+)

# Beef Demand & Supply'



'Assumes all other factors are held constant.

# US STEER & HEIFER SLAUGHTER, JAN - DEC

PRELIMINARY DATA BASED ON DAILY SLAUGHTER ESTIMATES - 7 DAY RUNNING TOTAL

000 HEAD

600

560

520

480

440

400

360

Jan - Dec 2012 Jan - Dec 2013 Jan - Dec 2014

New Year

Memorial Day

4th of July

Labor Day

Thanks giving

Christmas

JAN

FEB

MAR

APR

MAY

JUN

JUL

Aug

Sep

Oct

Nov

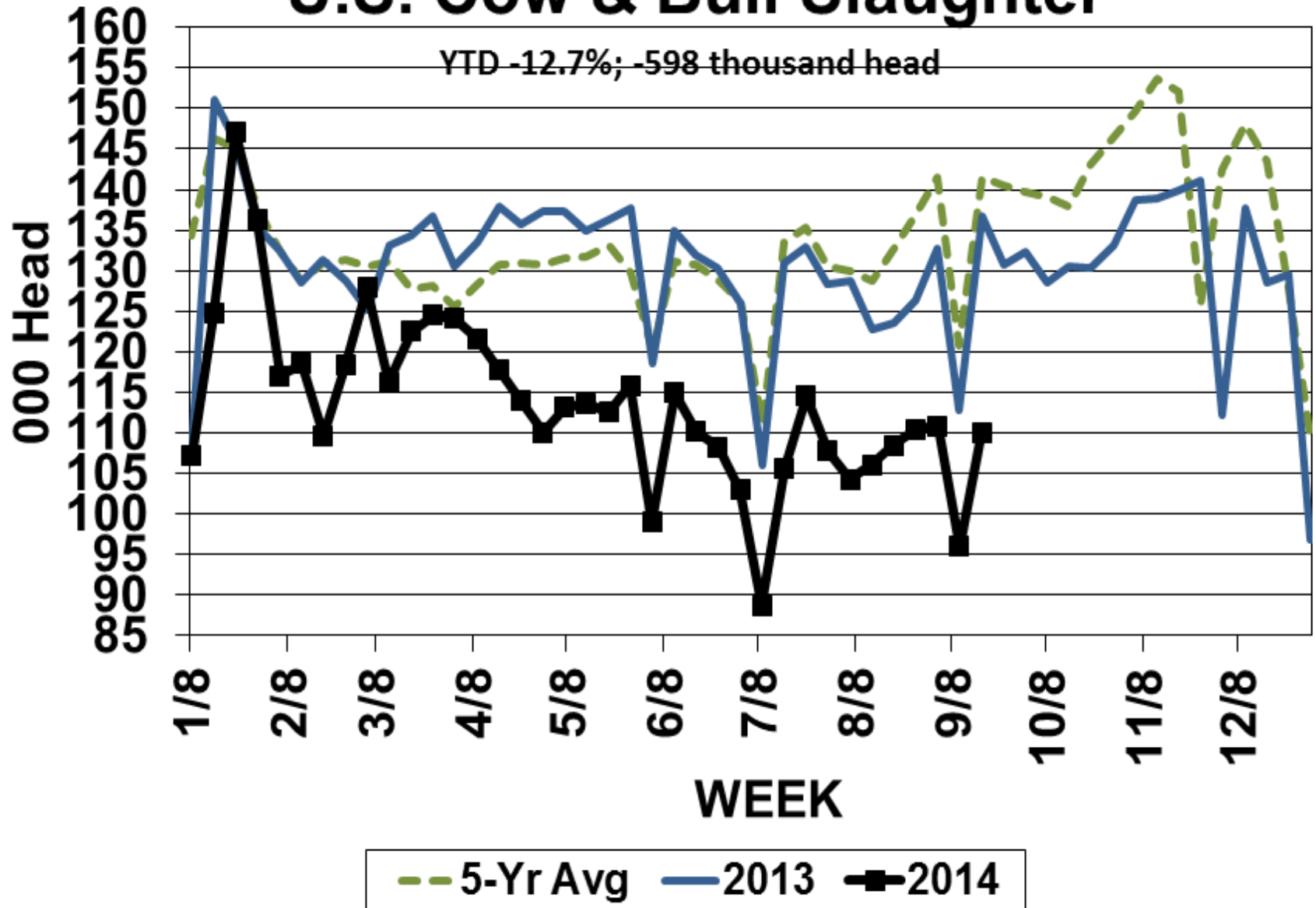
Dec



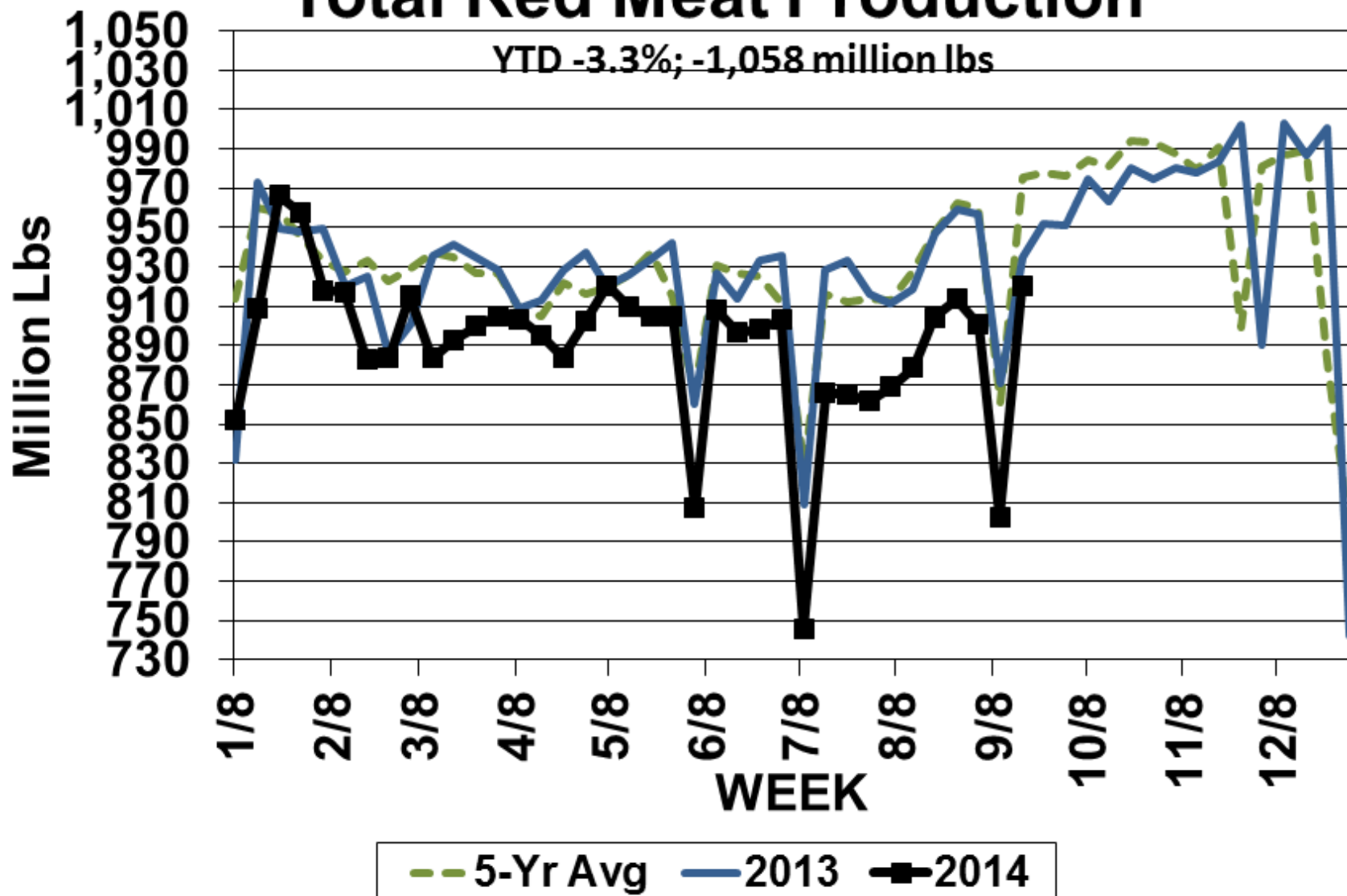


# U.S. Cow & Bull Slaughter

YTD -12.7%; -598 thousand head

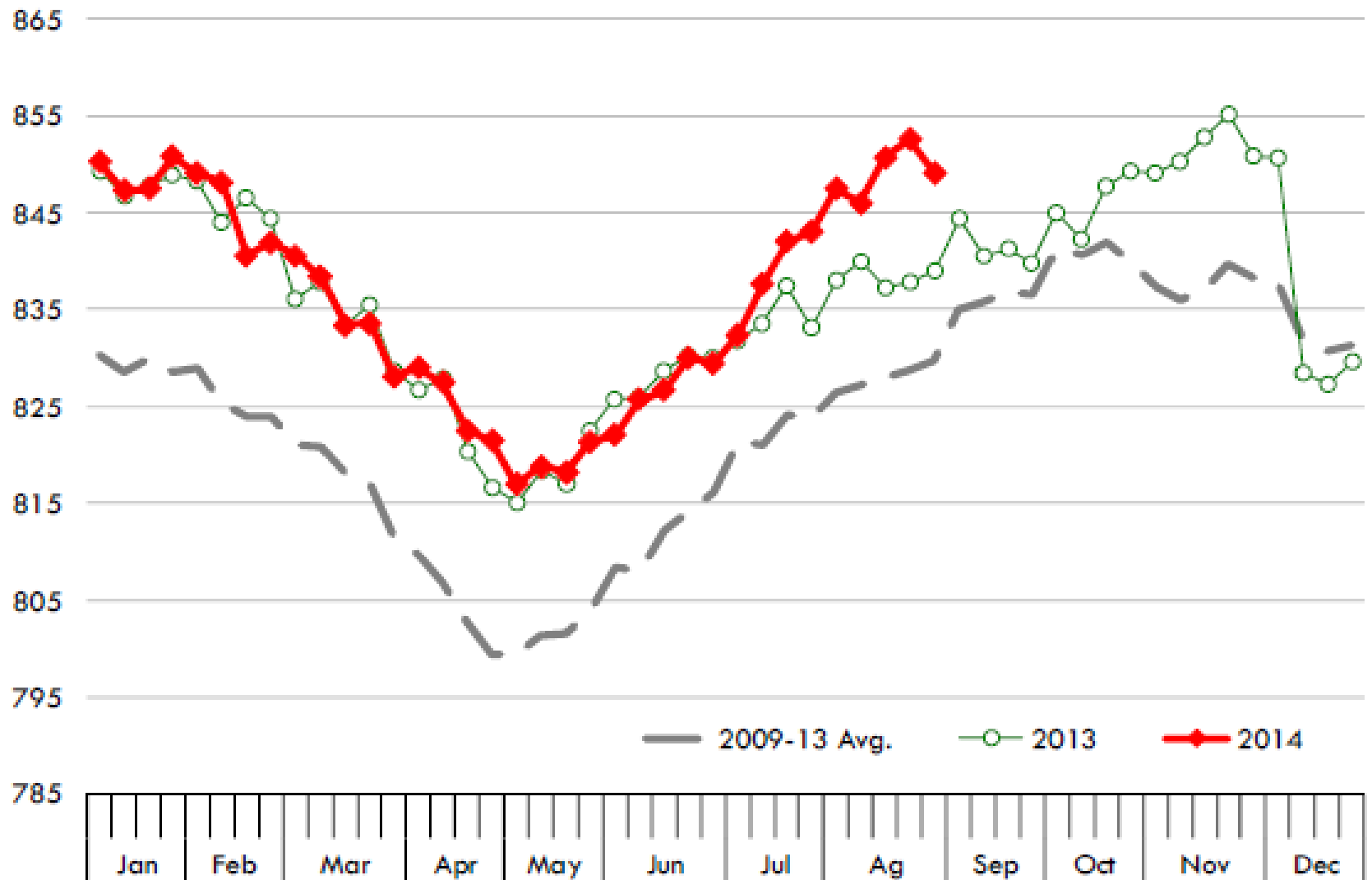


# Total Red Meat Production



# DRESSED CARCASS WEIGHT, STEERS/HEIFERS, POUNDS, USDA

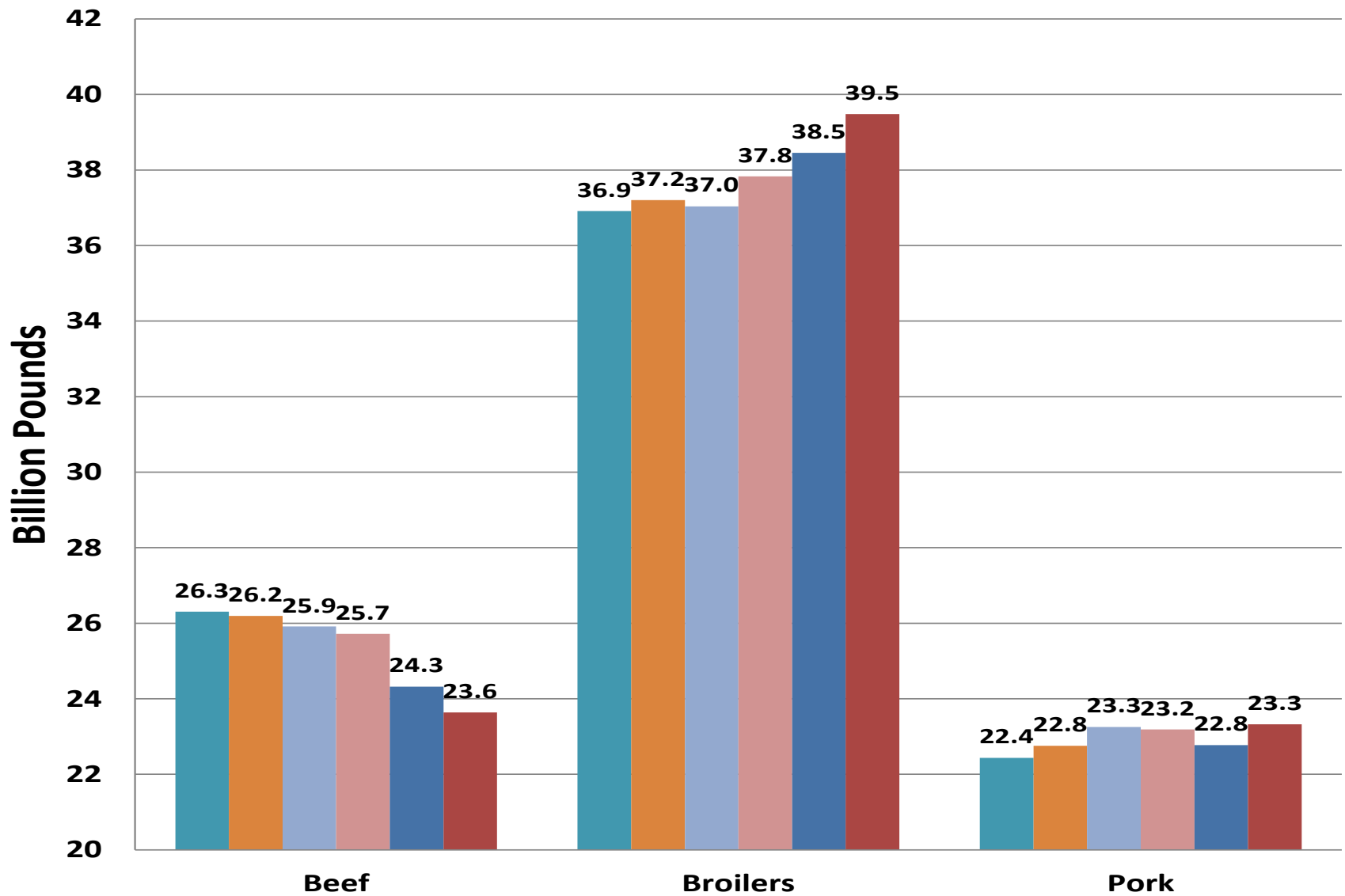
Data through Week Ending Aug. 29, 2014. Weighted Average Based on Weekly Slaughter



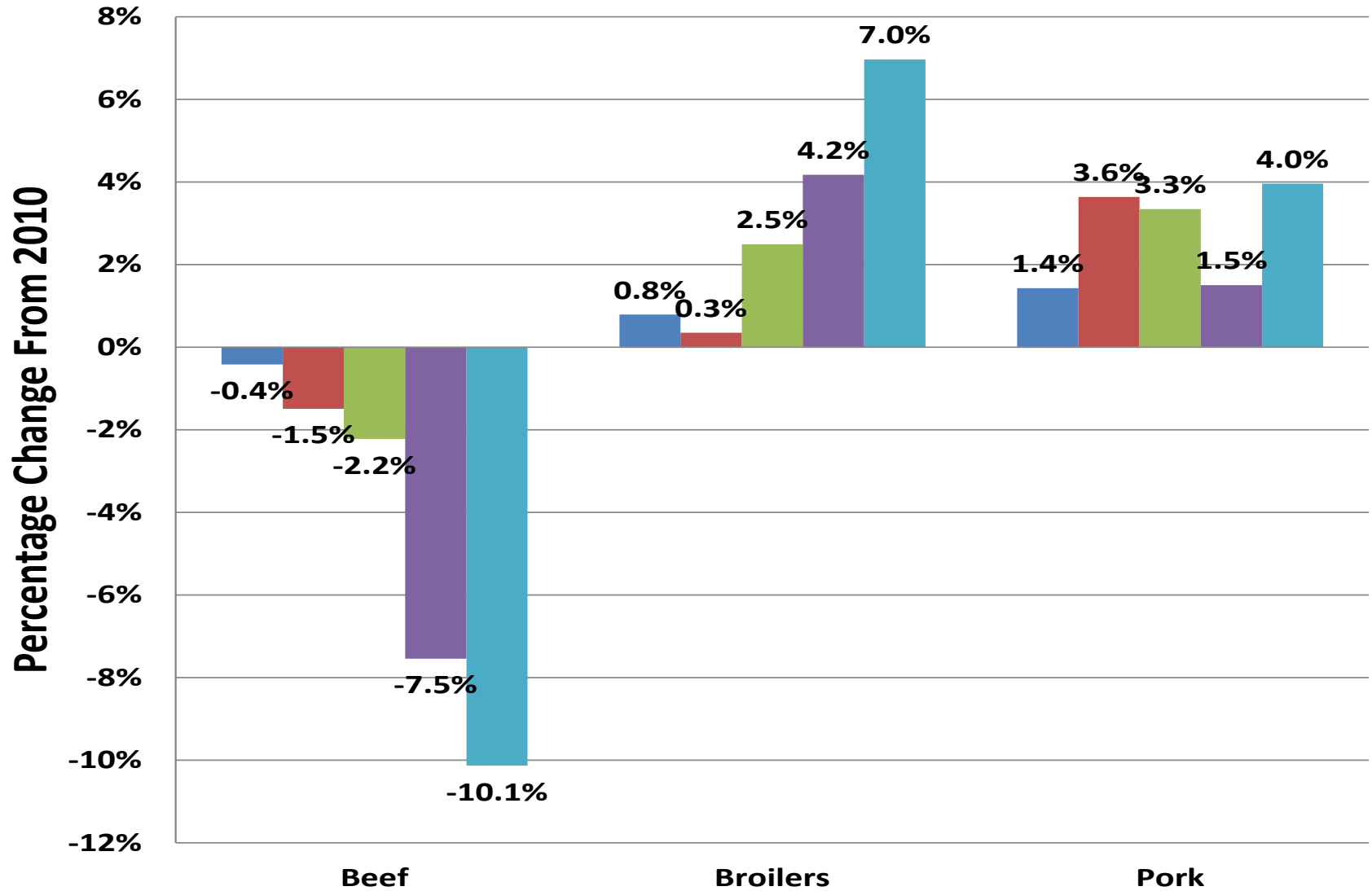
# 2015 Cattle Situation and Outlook

- **U.S. Economy** (+)
- **Domestic Beef Demand** (+)
- **Export Beef Demand** (+)
- **Exchange & Interest Rates** (?)
- **Energy Prices** (?)
- **Cattle Inventory Numbers** (+)
- **Pounds of Beef Production** (+)
- **Substitute Meats** (-)

**Figure 3. U.S. Beef, Broiler, and Pork Production, 2010-2015**  
(2014 and 2015 are USDA projections)



**Figure 4. U.S. Beef, Broiler, and Pork Production  
Percentage Change From 2010 For 2011-2015**  
(2014 and 2015 are USDA projections)



# 2015 Cattle Situation and Outlook

- **U.S. Economy** (+)
- **Domestic Beef Demand** (+)
- **Export Beef Demand** (+)
- **Exchange & Interest Rates** (?)
- **Energy Prices** (?)
- **Cattle Inventory Numbers** (+)
- **Pounds of Beef Production** (+)
- **Substitute Meats** (-)
- **Cost of Production-Cow/Calf** (+)

# Cow-Calf Production Costs

**TMPPA**

Too many piles per acre !



# Cow-Calf Production Costs

- **How do I manage 4 F's and 1 D?**
  - **Feed**
  - **Fertilizer**
  - **Fuel**
  - **Folks**
  - **Depreciation**

**Table 1. An example feed budget for a cow-calf enterprise, Winter Calving.**

Item	----- Feeding Period -----			Total	% of Total	
	Dates -->	01/01/15	04/01/15			11/01/15
	Dates -->	03/31/15	10/31/15			12/31/15
Days -->	90	214	61	365	Total	
----- \$ Per Head -----						
Warm Season Grass Pasture	\$0	\$120	\$0	\$120	24%	
Cool Season Grass Pasture	0	0	0	\$0	0%	
Stockpiled Warm Season Grass Pasture	\$0	\$0	\$0	\$0	0%	
Stockpiled Cool Season Grass Pasture	\$0	\$0	\$0	\$0	0%	
Winter Annuals	\$0	\$0	\$0			
Hay	\$162	\$0	\$88	\$250	50%	
Supplement	\$78	\$0	\$26	\$104	21%	
Mineral & Salt	\$7	\$17	\$5	\$30	6%	
<b>Total Cost Per Head</b>	<b>\$247</b>	<b>\$137</b>	<b>\$119</b>	<b>\$504</b>	<b>100%</b>	
<b>Total Cost Per Head Per Day</b>	<b>\$2.75</b>	<b>\$0.64</b>	<b>\$1.95</b>	<b>\$1.38</b>		

**Assumptions:**

Winter Calving, Jan. 1 - Mar. 31.

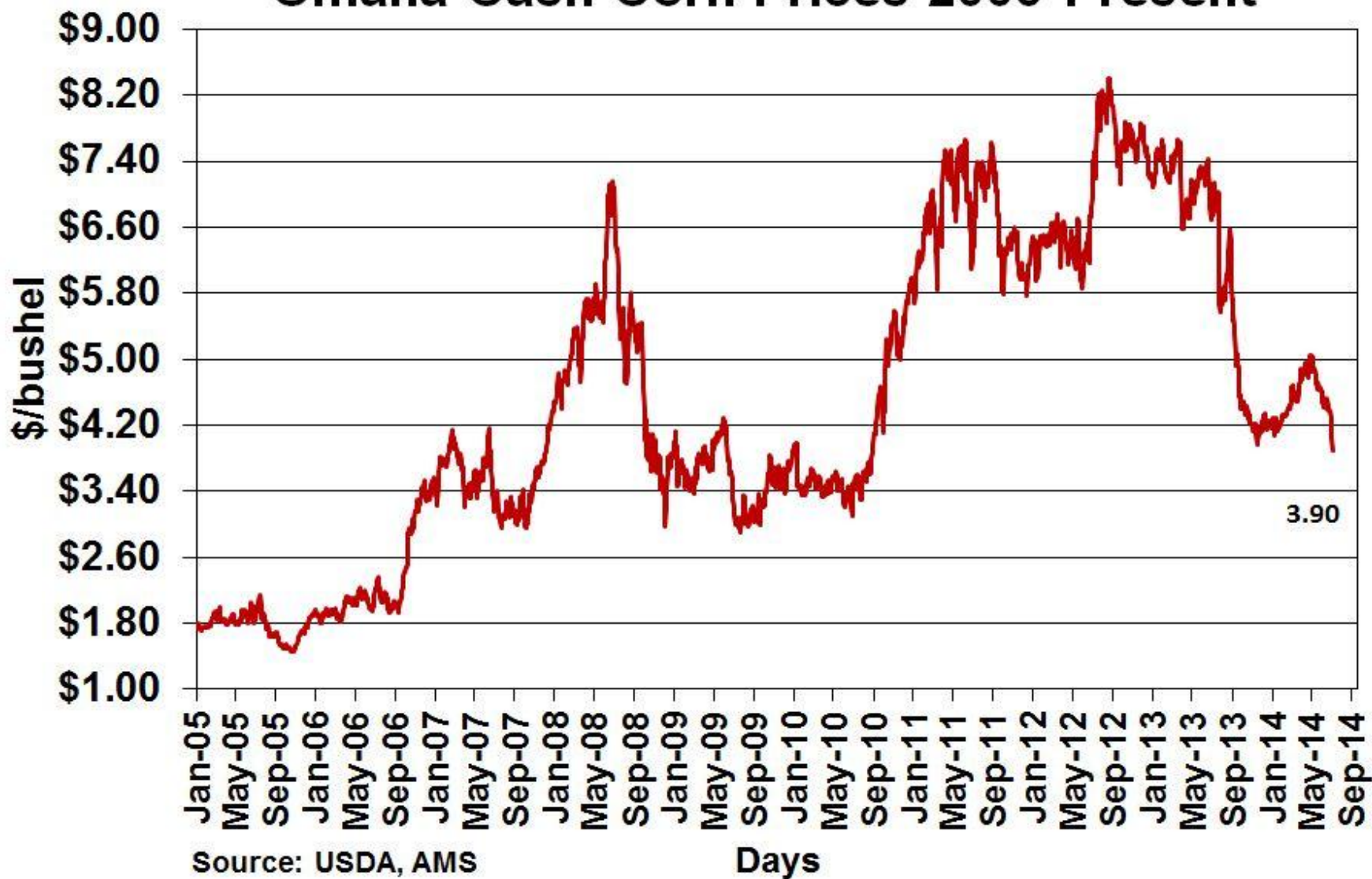
**Table 1. Breakeven feeder calf prices for various weaning weights, weaning percentages, and production costs.\***

Weaning Weight	Weaning Percent	Calf Prod. /Brd. Cow	----- Calf Production Costs Per Brood Cow* -----						
			\$1,100	\$1,000	\$900	\$800	\$700	\$600	\$500
<u>Lbs.</u>	<u>%</u>	<u>Lbs./Cow</u>	----- Breakeven Feeder Calf Price, \$/Lb. -----						
600	90%	540	\$2.04	\$1.85	\$1.67	\$1.48	\$1.30	\$1.11	\$0.93
550	90%	495	\$2.22	\$2.02	\$1.82	\$1.62	\$1.41	\$1.21	\$1.01
500	90%	450	\$2.44	\$2.22	\$2.00	\$1.78	\$1.56	\$1.33	\$1.11
450	90%	405	\$2.72	\$2.47	\$2.22	\$1.98	\$1.73	\$1.48	\$1.23
400	90%	360	\$3.06	\$2.78	\$2.50	\$2.22	\$1.94	\$1.67	\$1.39
350	90%	315	\$3.49	\$3.17	\$2.86	\$2.54	\$2.22	\$1.90	\$1.59
300	90%	270	\$4.07	\$3.70	\$3.33	\$2.96	\$2.59	\$2.22	\$1.85
600	85%	510	\$2.16	\$1.96	\$1.76	\$1.57	\$1.37	\$1.18	\$0.98
550	85%	468	\$2.35	\$2.14	\$1.93	\$1.71	\$1.50	\$1.28	\$1.07
500	85%	425	\$2.59	\$2.35	\$2.12	\$1.88	\$1.65	\$1.41	\$1.18
450	85%	383	\$2.88	\$2.61	\$2.35	\$2.09	\$1.83	\$1.57	\$1.31
400	85%	340	\$3.24	\$2.94	\$2.65	\$2.35	\$2.06	\$1.76	\$1.47
350	85%	298	\$3.70	\$3.36	\$3.03	\$2.69	\$2.35	\$2.02	\$1.68
300	85%	255	\$4.31	\$3.92	\$3.53	\$3.14	\$2.75	\$2.35	\$1.96
600	80%	480	\$2.29	\$2.08	\$1.88	\$1.67	\$1.46	\$1.25	\$1.04
550	80%	440	\$2.50	\$2.27	\$2.05	\$1.82	\$1.59	\$1.36	\$1.14
500	80%	400	\$2.75	\$2.50	\$2.25	\$2.00	\$1.75	\$1.50	\$1.25
450	80%	360	\$3.06	\$2.78	\$2.50	\$2.22	\$1.94	\$1.67	\$1.39
400	80%	320	\$3.44	\$3.13	\$2.81	\$2.50	\$2.19	\$1.88	\$1.56
350	80%	280	\$3.93	\$3.57	\$3.21	\$2.86	\$2.50	\$2.14	\$1.79
300	80%	240	\$4.58	\$4.17	\$3.75	\$3.33	\$2.92	\$2.50	\$2.08
600	75%	450	\$2.44	\$2.22	\$2.00	\$1.78	\$1.56	\$1.33	\$1.11
550	75%	413	\$2.67	\$2.42	\$2.18	\$1.94	\$1.70	\$1.45	\$1.21
500	75%	375	\$2.93	\$2.67	\$2.41	\$2.13	\$1.87	\$1.60	\$1.33
450	75%	338	\$3.26	\$2.96	\$2.67	\$2.37	\$2.07	\$1.78	\$1.48
400	75%	300	\$3.67	\$3.33	\$3.00	\$2.67	\$2.33	\$2.00	\$1.67
350	75%	263	\$4.19	\$3.81	\$3.43	\$3.05	\$2.67	\$2.29	\$1.90
300	75%	225	\$4.89	\$4.44	\$4.00	\$3.56	\$3.11	\$2.67	\$2.22

# 2015 Cattle Situation and Outlook

- **U.S. Economy** (+)
- **Domestic Beef Demand** (+)
- **Export Beef Demand** (+)
- **Exchange Interest Rates** (?)
- **Energy Prices** (?)
- **Cattle Inventory Numbers** (+)
- **Pounds of Beef Production** (+)
- **Substitute Meats** (-)
- **Cost of Production-Cow/Calf** (+)
- **Cost of Production-Feedlot** (+)

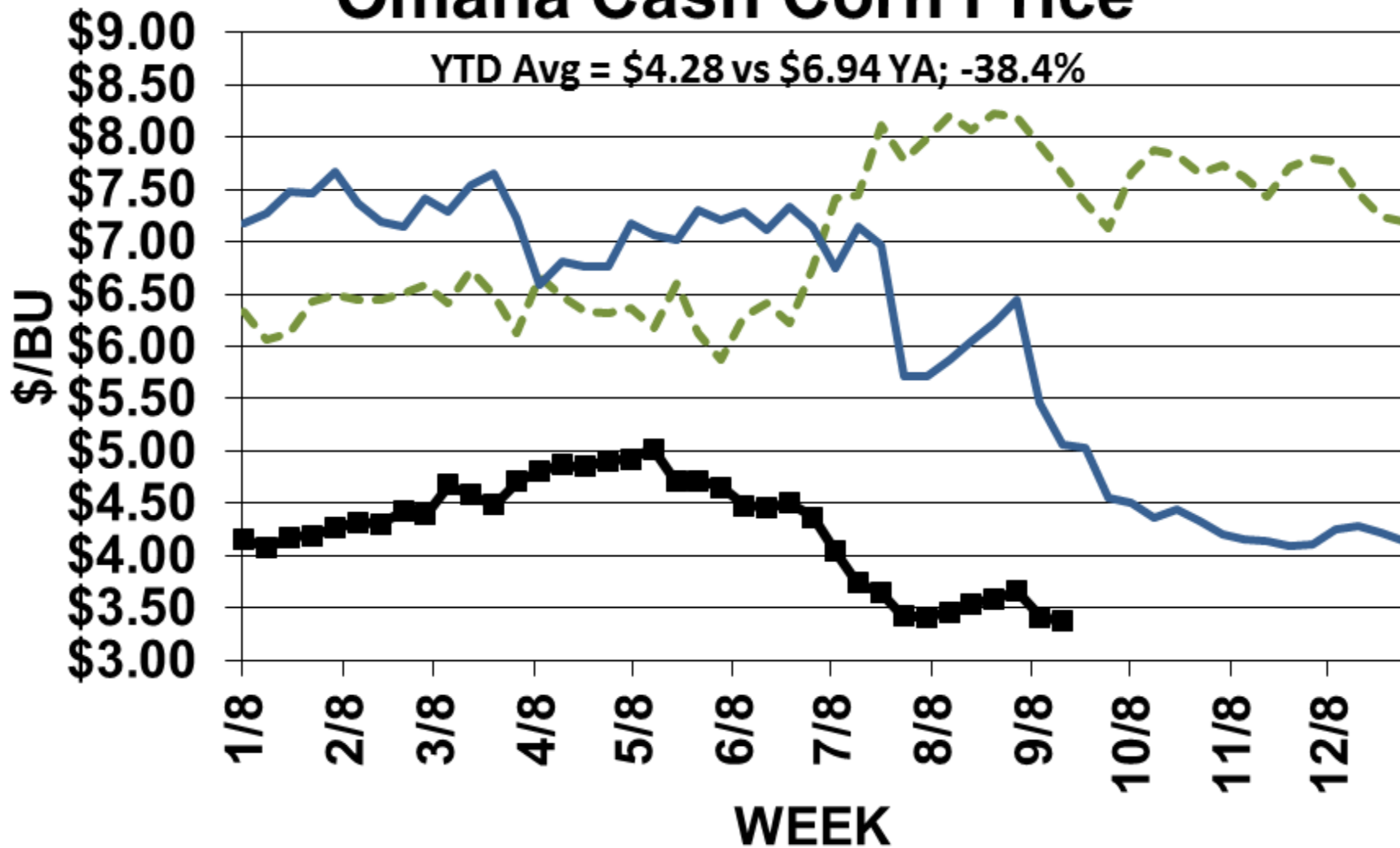
# Omaha Cash Corn Prices 2005-Present



Source: USDA, AMS

# Omaha Cash Corn Price

YTD Avg = \$4.28 vs \$6.94 YA; -38.4%



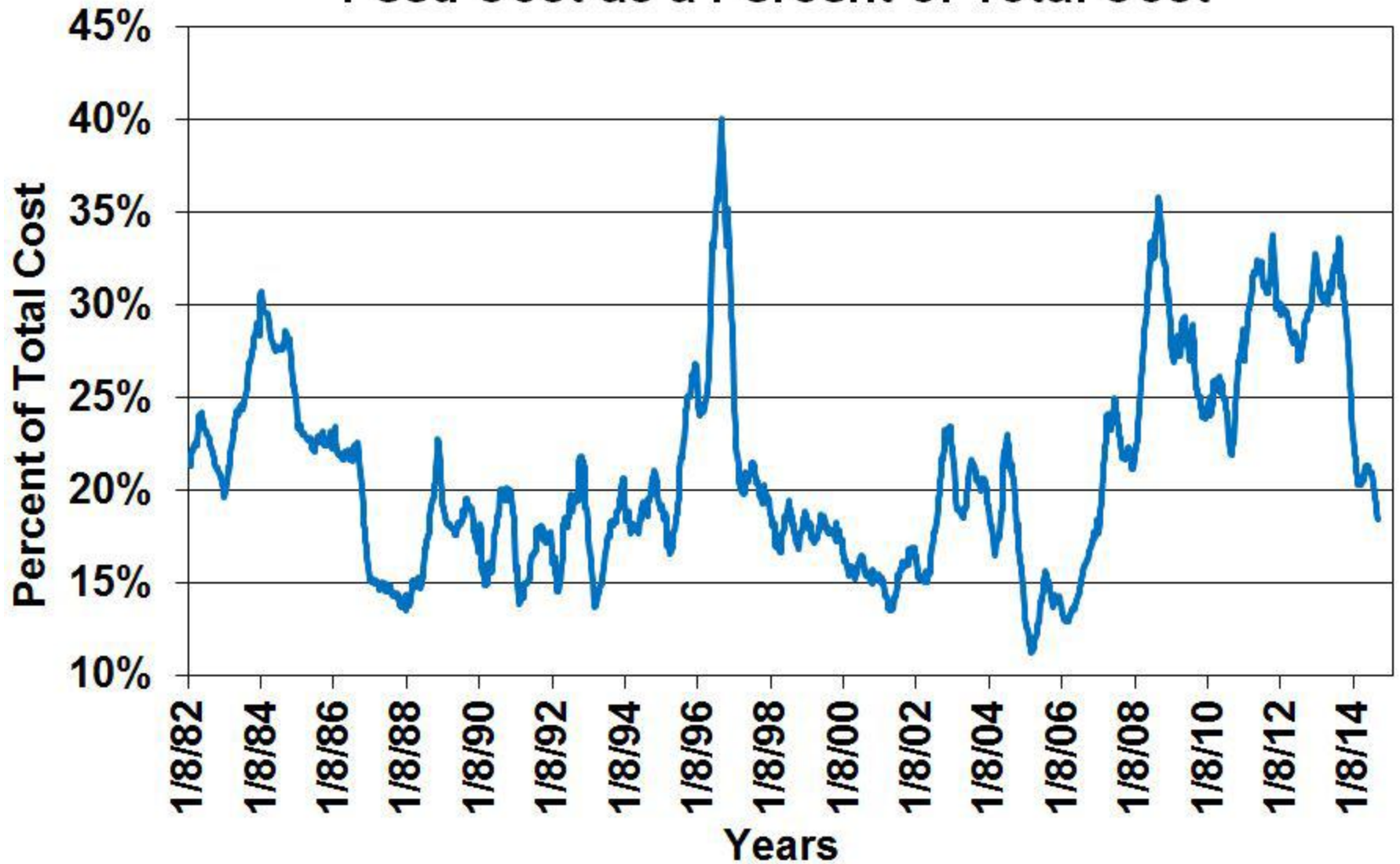
--- 2012    — 2013    ■ 2014

# Soybean Meal Price Per Pound of Dry Matter Protein Iowa Soybean Processor Report (46.5% Protein)



Source: USDA, CattleFax  
and CME Group

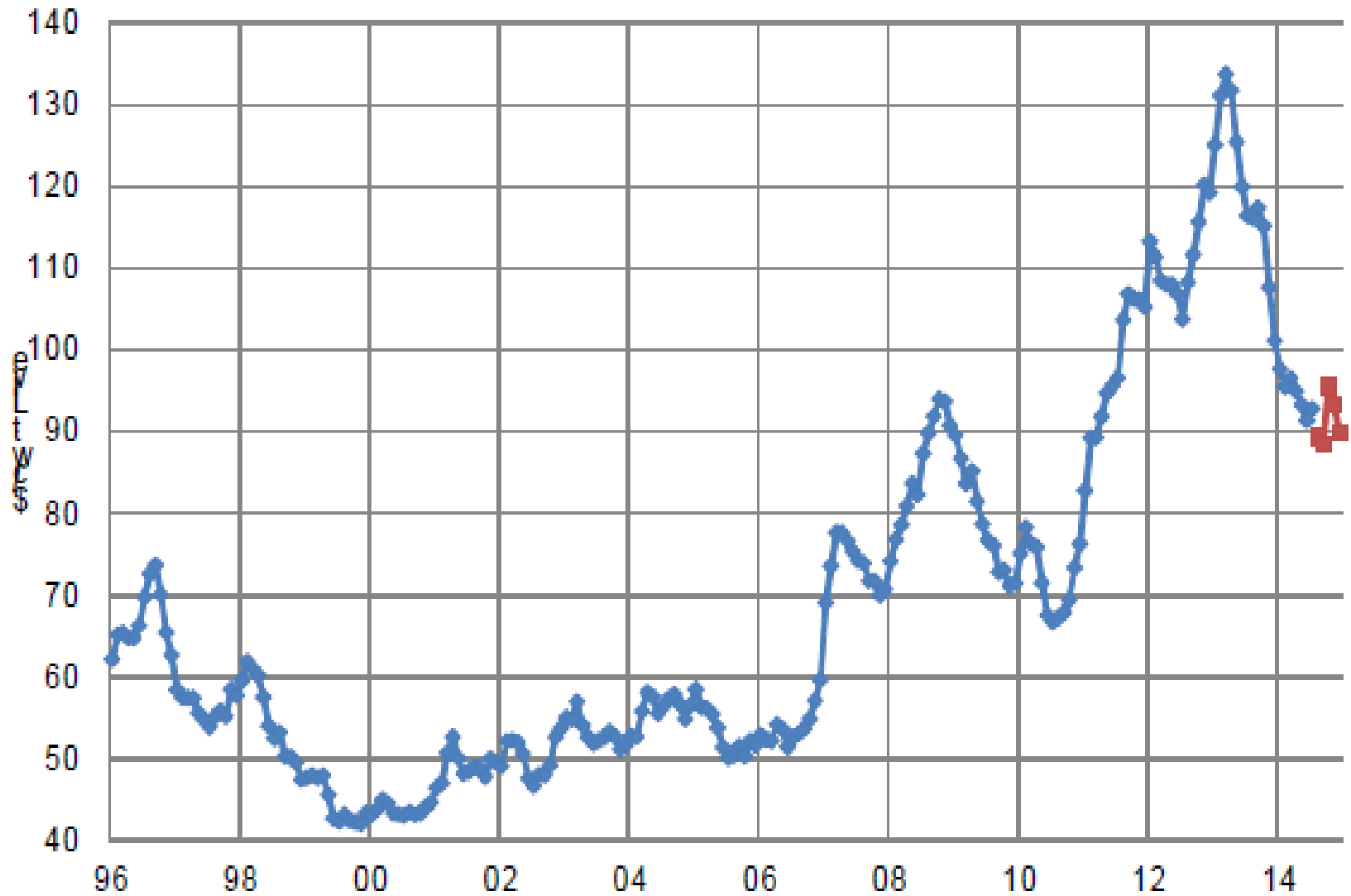
## Feed Cost as a Percent of Total Cost



\*Total Cost includes interest, yardage, feed cost, and animal purchase cost

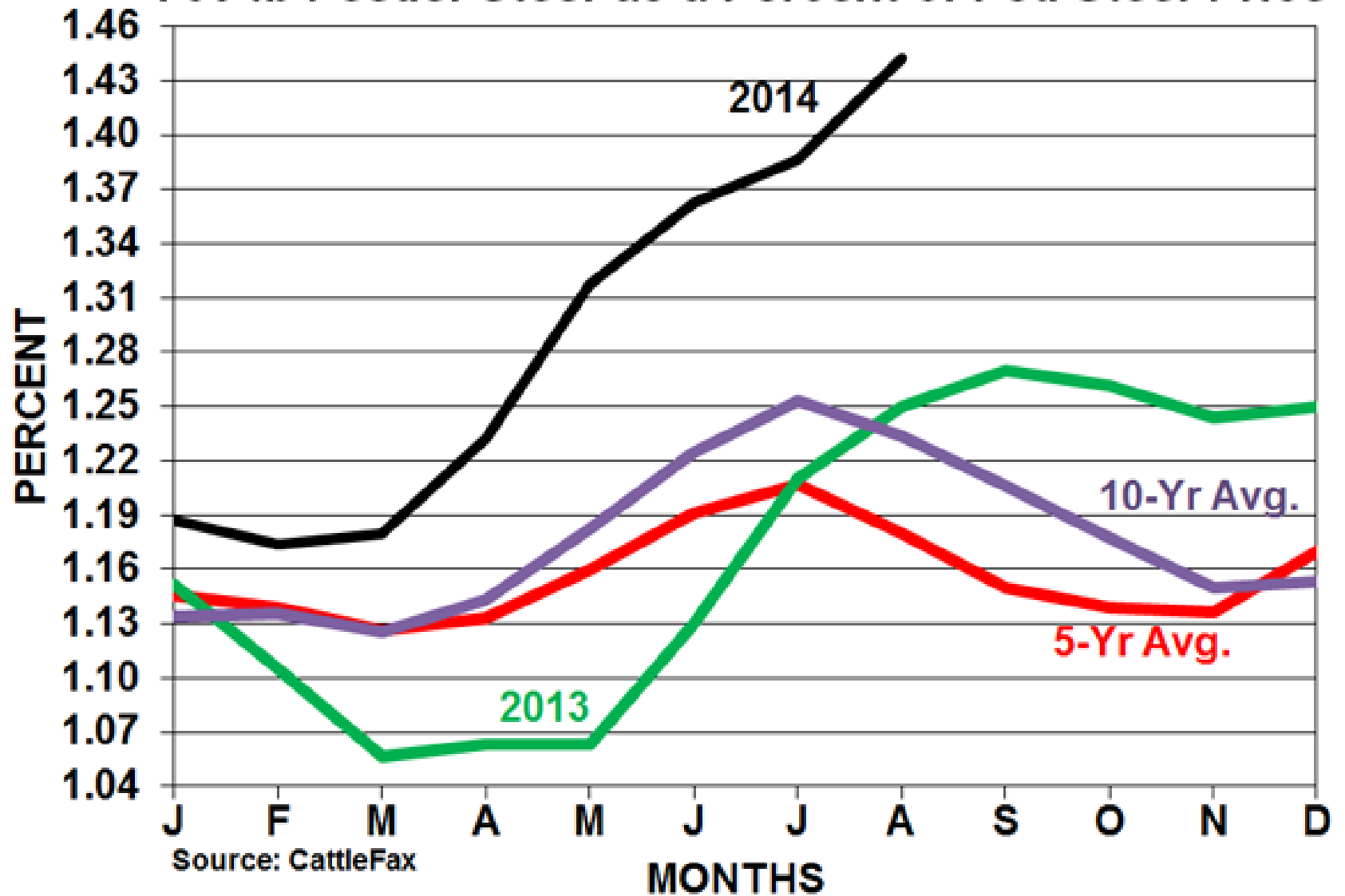


# AVG. COST OF GAIN, KANSAS STEERS



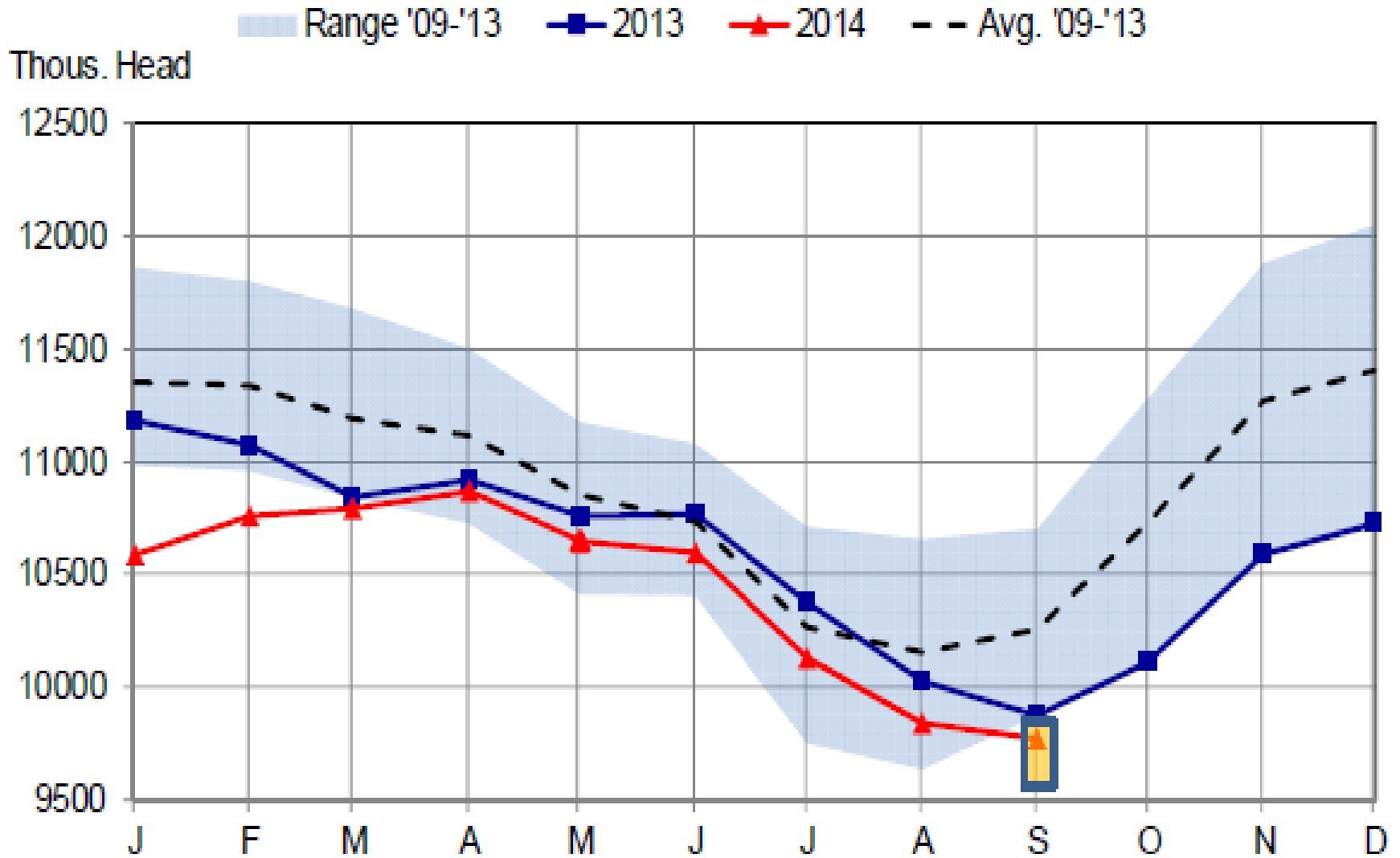
Source: Kansas State University

# 750 lb Feeder Steer as a Percent of Fed Steer Price



Source: CattleFax

# CATTLE ON FEED, U.S



Source: USDA NASS, Cattle On Feed, various editions

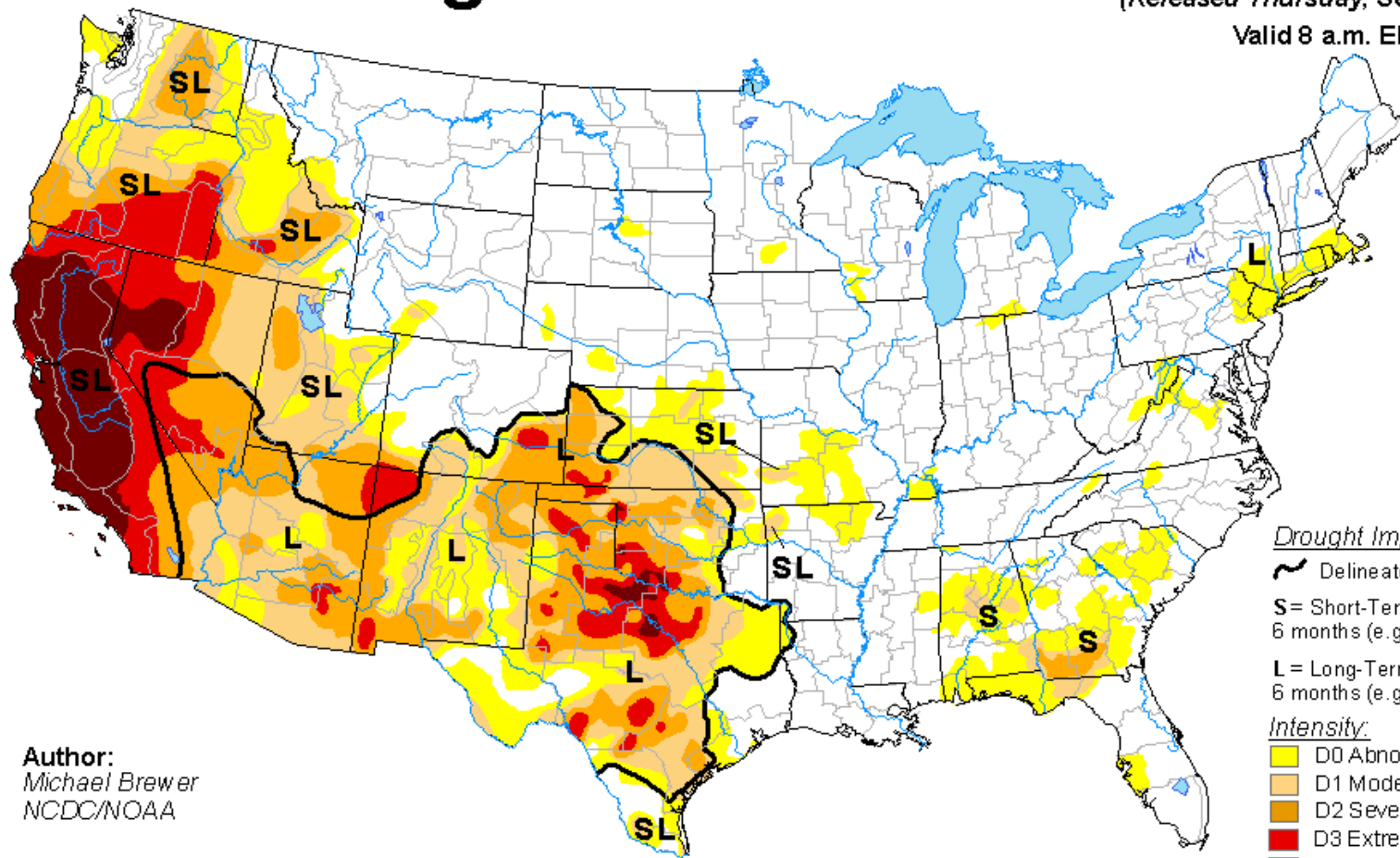
# 2015 Cattle Situation and Outlook

- **U.S. Economy** (+)
- **Domestic Beef Demand** (+)
- **Export Beef Demand** (+)
- **Exchange & Interest Rates** (?)
- **Energy Prices** (?)
- **Cattle Inventory Numbers** (+)
- **Pounds of Beef Production** (+)
- **Substitute Meats** (-)
- **Cost of Production-Cow/Calf** (+)
- **Cost of Production-Feedlot** (+)
- **Weather** (?)

# U.S. Drought Monitor

September 16, 2014  
(Released Thursday, Sep. 18, 2014)

Valid 8 a.m. EDT



Author:  
Michael Brewer  
NCDC/NOAA

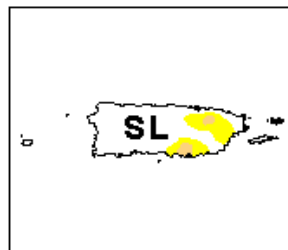
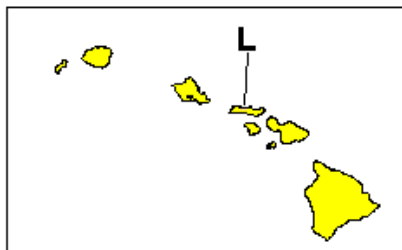
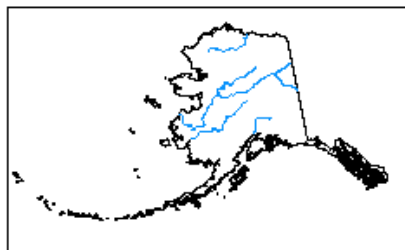
### Drought Impact Types:

- ~ Delineates dominant impacts
- S= Short-Term, typically less than 6 months (e.g. agriculture, grasslands)
- L= Long-Term, typically greater than 6 months (e.g. hydrology, ecology)

### Intensity:

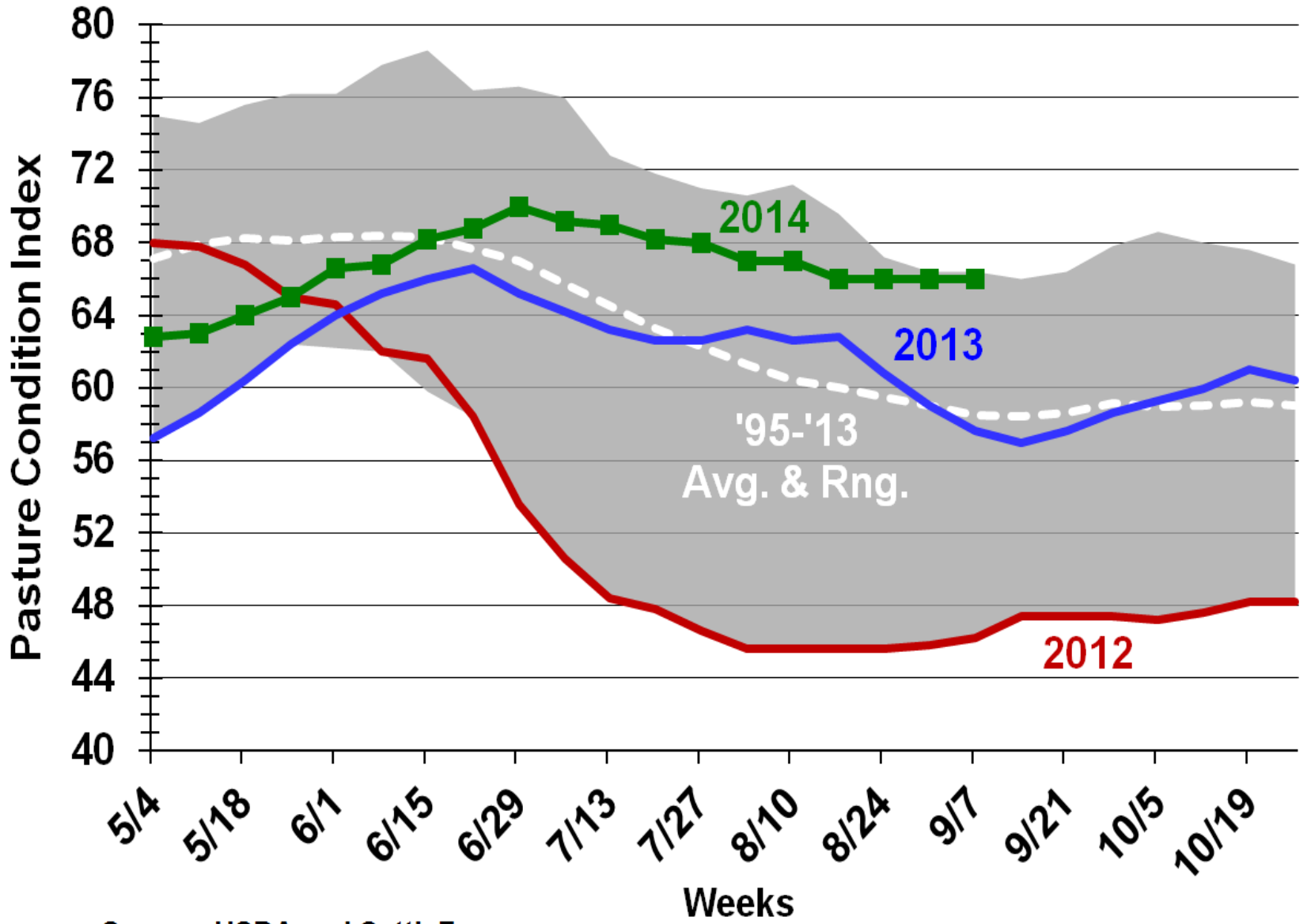
- Yellow: D0 Abnormally Dry
- Light Orange: D1 Moderate Drought
- Orange: D2 Severe Drought
- Red: D3 Extreme Drought
- Dark Red: D4 Exceptional Drought

The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. See accompanying text summary for forecast statements.



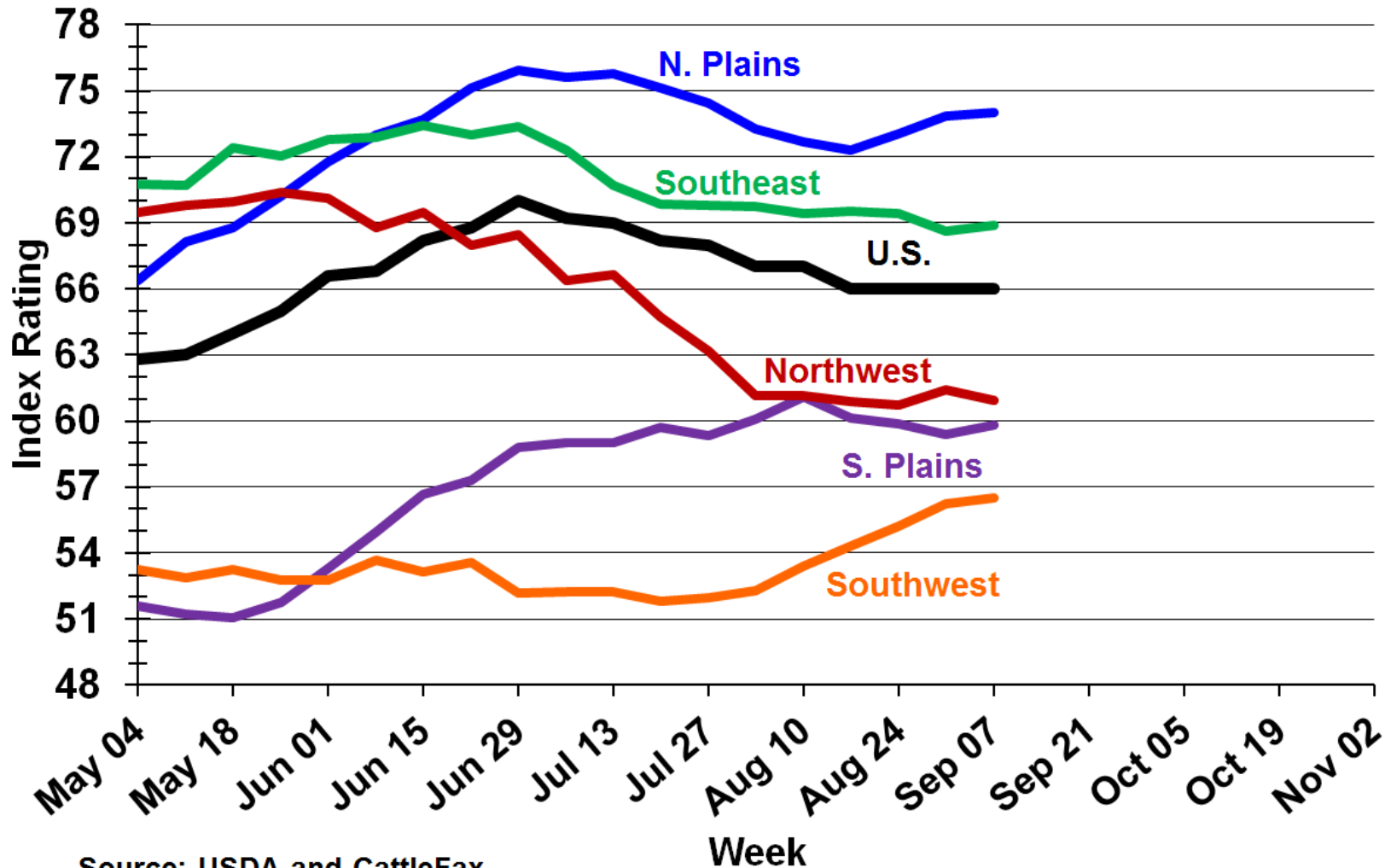
<http://droughtmonitor.unl.edu/>

# U.S. Pasture and Range Condition Index



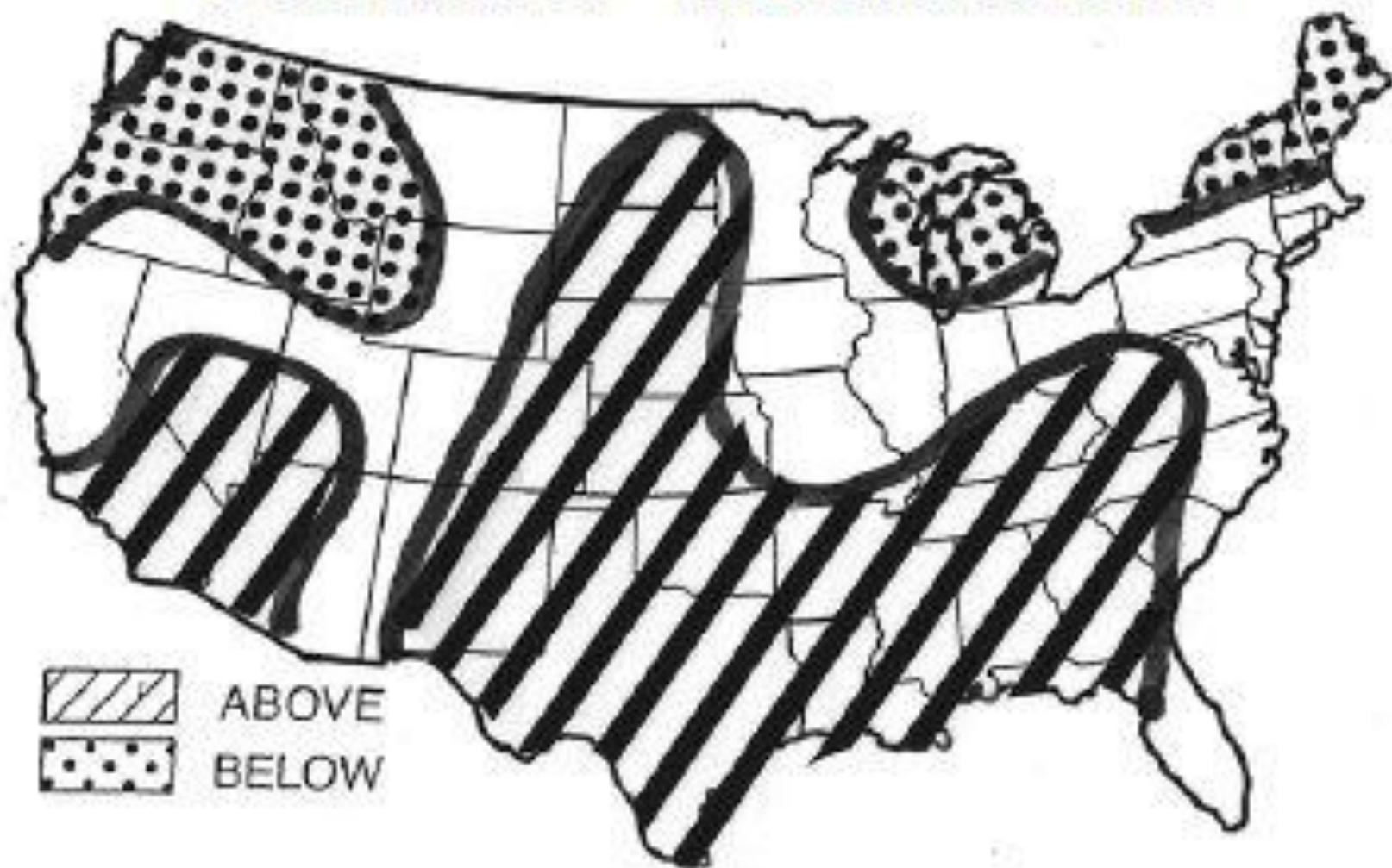
Source: USDA and CattleFax

# 2014 Regional U.S. Pasture and Range Condition Index



Source: USDA and CattleFax

# PRECIPITATION OUTLOOK SEPTEMBER – NOVEMBER 2014





# TEMPERATURE OUTLOOK SEPTEMBER – NOVEMBER 2014



# 2015 Cattle Situation and Outlook

- **U.S. Economy** (+)
- **Domestic Beef Demand** (+)
- **Export Beef Demand** (+)
- **Exchange & Interest Rates** (?)
- **Energy Prices** (?)
- **Cattle Inventory Numbers** (+)
- **Pounds of Beef Production** (+)
- **Substitute Meats** (-)
- **Cost of Production-Cow/Calf** (+)
- **Cost of Production-Feedlot** (+)
- **Weather** (?)
- **Outliers (food safety, terrorists, war)** (?)

**DANGER**

**STUFF  
HAPPENS  
HERE**

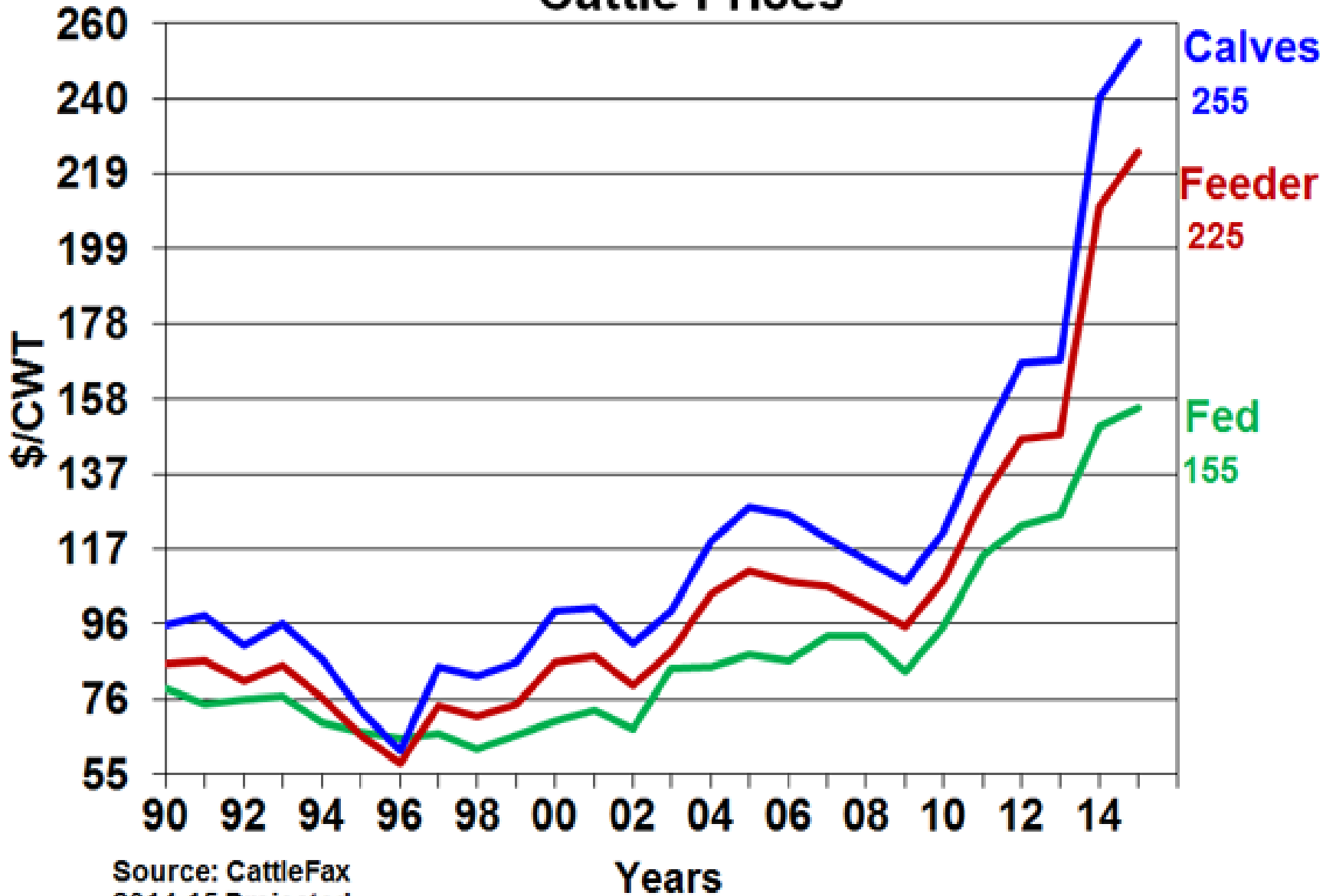
# Summary

**Table 1. U.S. Net Beef Supply, Billion Pounds, 2010-2015\*.**

<b>Item</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014*</b>	<b>2015*</b>
<b>Dom. Beef Production</b>	<b>26.3</b>	<b>26.2</b>	<b>25.9</b>	<b>25.7</b>	<b>24.3</b>	<b>23.6</b>
<b>Beef &amp; Veal Imports</b>	<b>2.3</b>	<b>2.1</b>	<b>2.2</b>	<b>2.3</b>	<b>2.7</b>	<b>2.5</b>
<b>Beef &amp; Veal Exports</b>	<b>2.3</b>	<b>2.8</b>	<b>2.5</b>	<b>2.6</b>	<b>2.6</b>	<b>2.7</b>
<b>Net Beef Supply</b>	<b>26.3</b>	<b>25.5</b>	<b>25.7</b>	<b>25.4</b>	<b>24.4</b>	<b>23.5</b>
<b>Percent Change</b>	<b>Base</b>	<b>-3.2%</b>	<b>-2.4%</b>	<b>-3.5%</b>	<b>-7.3%</b>	<b>-10.8%</b>

\*Estimated USDA data, September 17, 2014.

# Cattle Prices



Source: CattleFax  
2014-15 Projected

## USDA Cattle Market Price Projections, 2014 and 2015

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Item	2014 Range (\$/cwt)	2014 Midpoint (\$/cwt)	2015 Range (\$/cwt)	2015 Midpoint (\$/cwt)	Midpoint \$ Change (\$/cwt)	Midpoint % Change (%)
Choice steers, 5-area Direct, \$/cwt	\$151-\$154	\$152.50	\$149-\$163	\$156.00	\$3.50	2.3%
Feeder steers, Ok City, \$/cwt	\$198-\$201	\$199.50	\$208-\$220	\$214.00	\$14.50	7.3%
Cutter Cows, National L.E., \$/cwt	\$100-\$103	\$101.50	\$103-\$115	\$109.00	\$7.50	7.4%

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**Thanks For Your Attention!**

**Walt Prevatt**

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