

# Beef and Pork Economic Climate and Outlook

Andrew P. Griffith

Assistant Professor in Extension

Livestock Economist

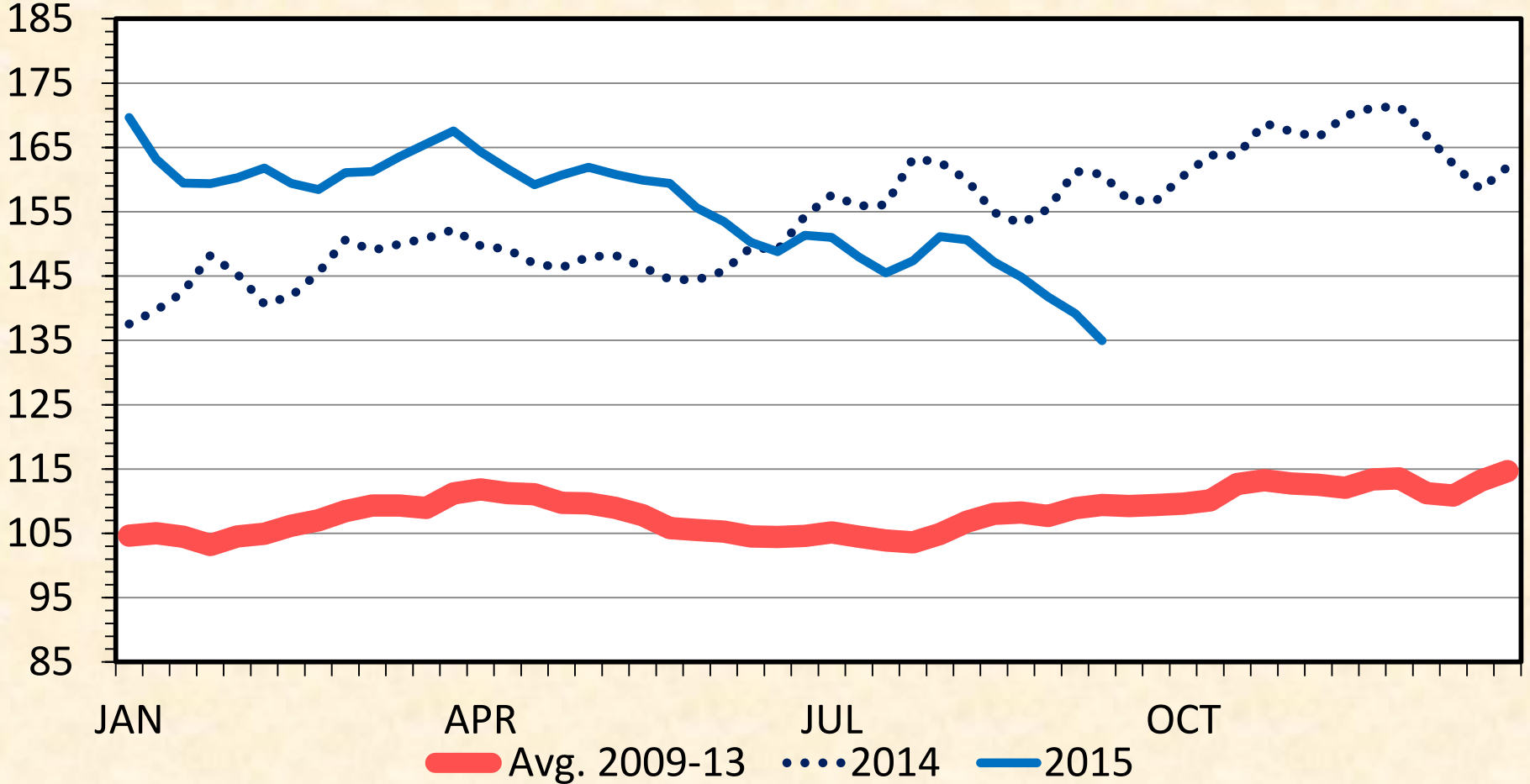
# Major Market Factors

- Current Prices
- Weather is a Factor
- Global Trade
- Feed and Input Markets

# SLAUGHTER STEER PRICES

5 Market Weighted Average, Weekly

\$ Per Cwt.



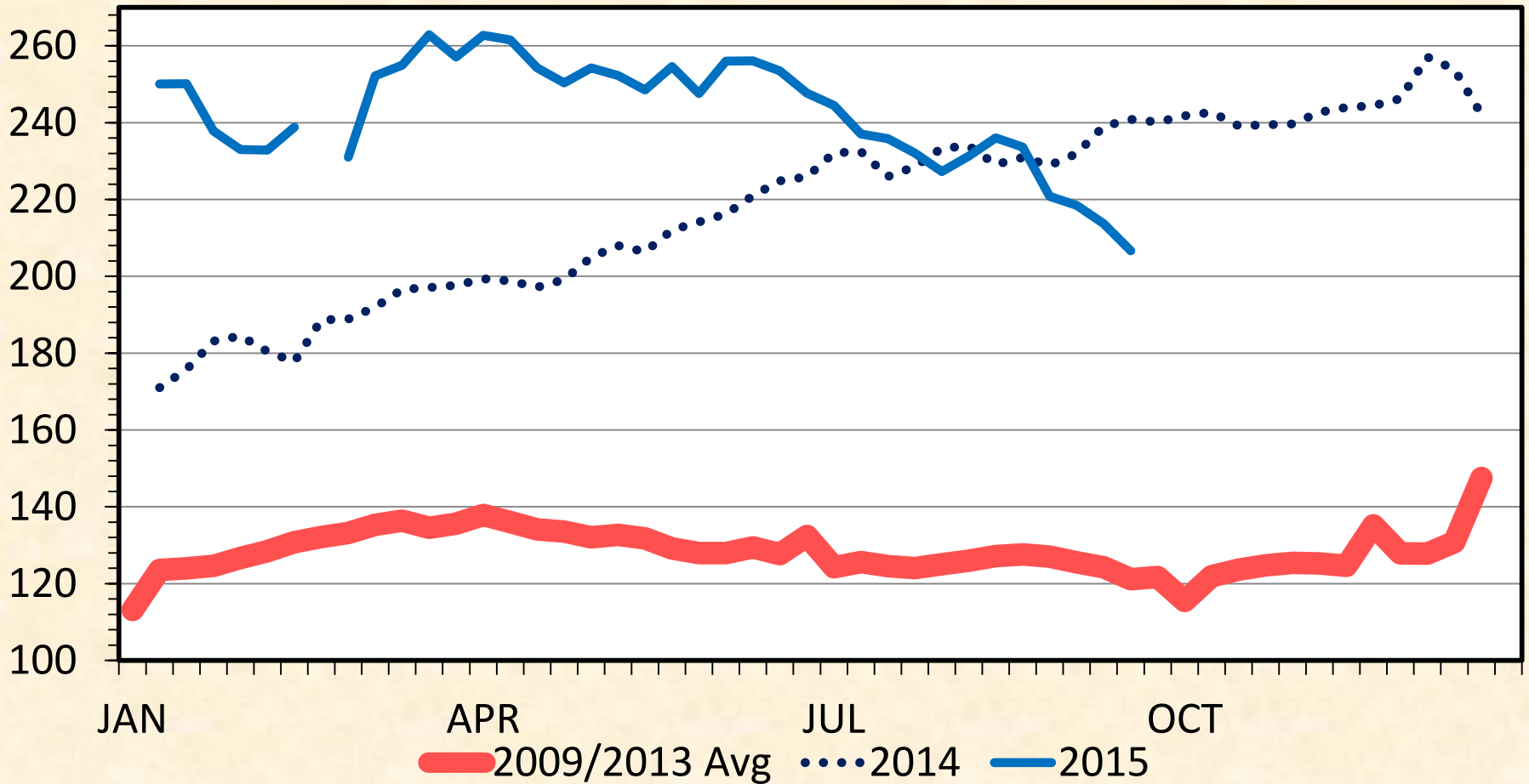
Data Source: USDA-AMS

Livestock Marketing Information Center

# TENNESSEE 500-600 LB. STEER PRICES

2014, 2015 and 5-year average, Weekly

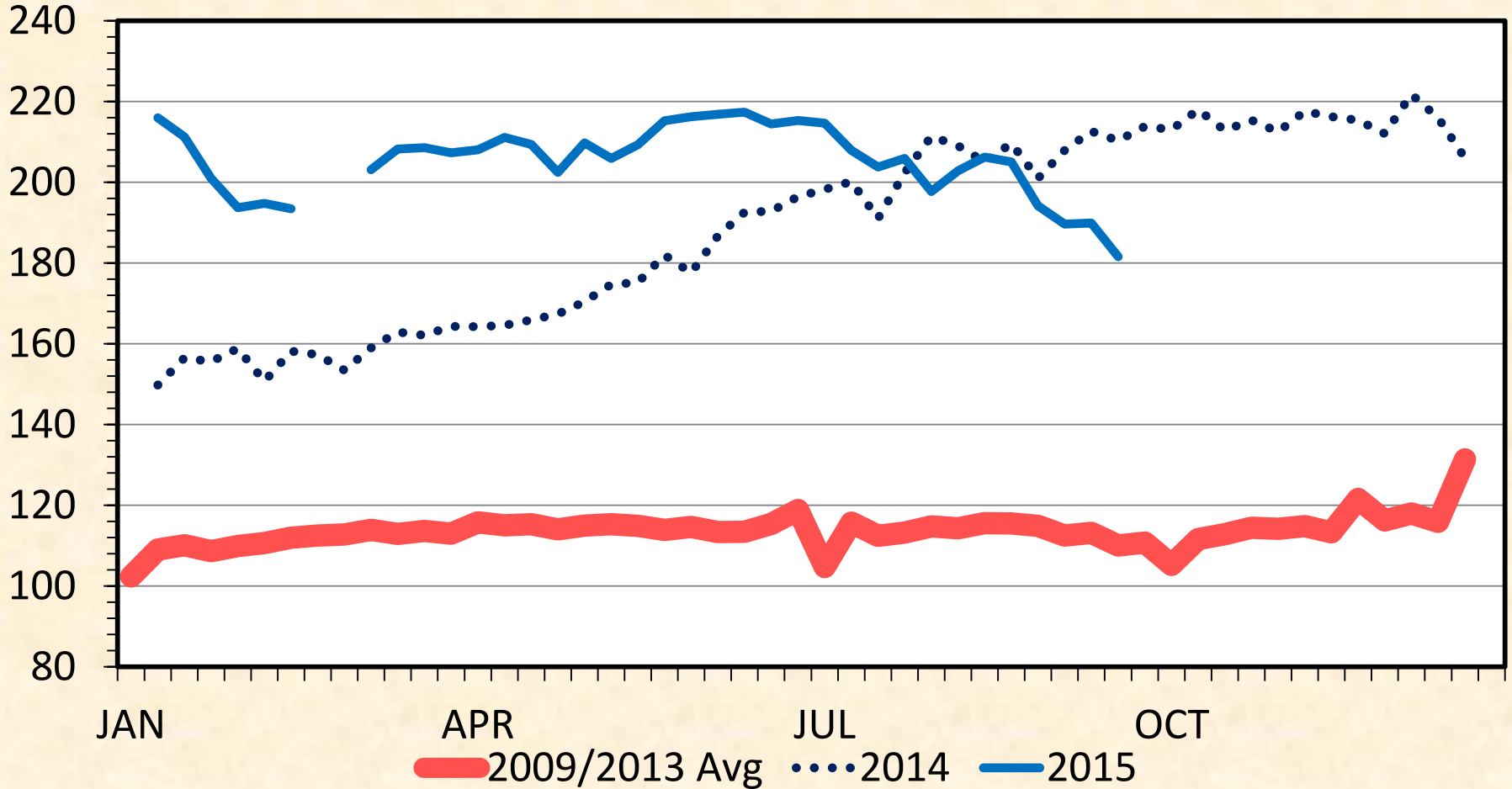
\$ Per Cwt.



# TENNESSEE 700-800 LB. STEER PRICES

2014, 2015 and 5-year average, Weekly

\$ Per Cwt.

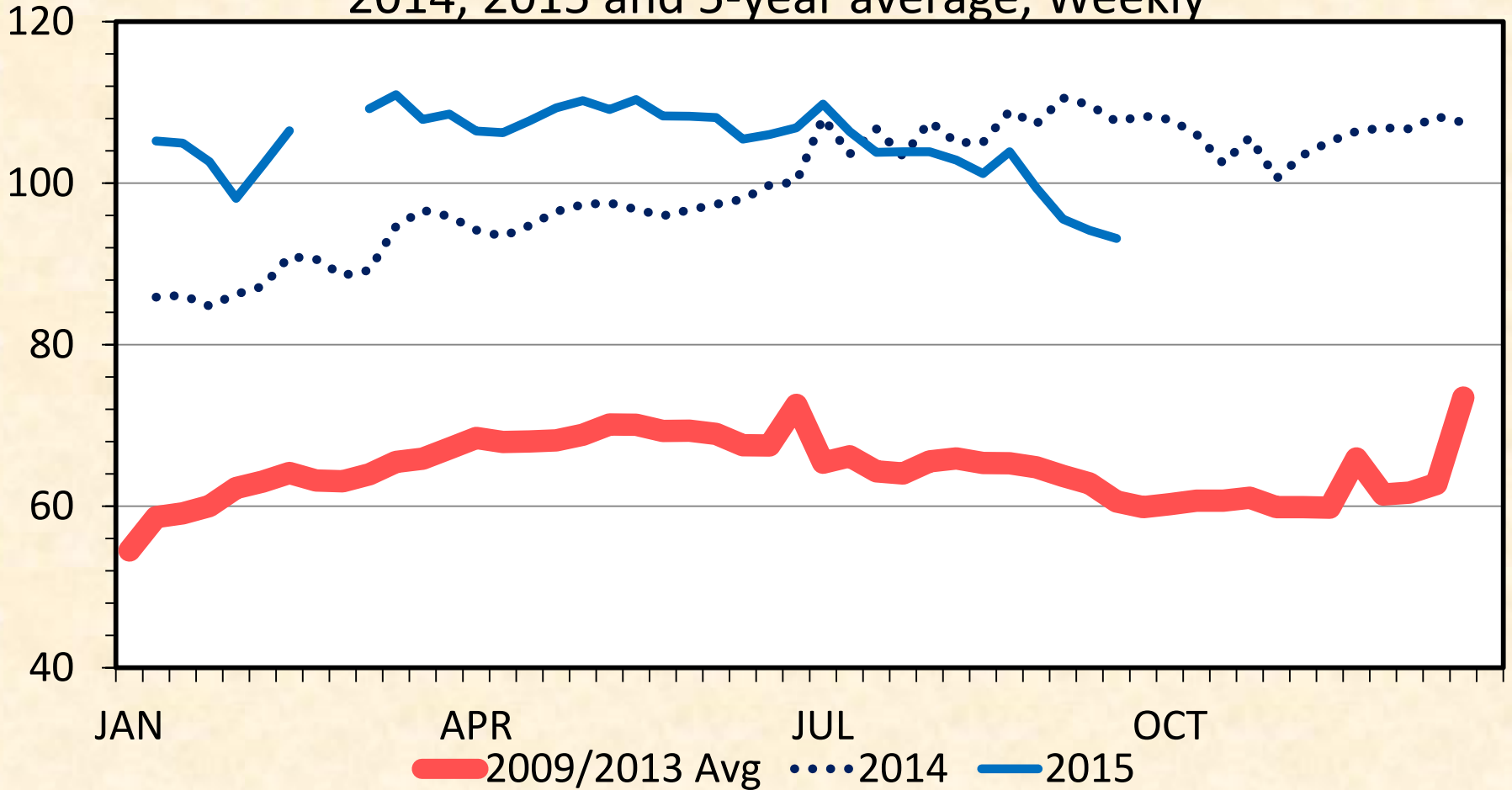


# TENNESSEE SLAUGHTER COW PRICES

Breakers 75-80%

2014, 2015 and 5-year average, Weekly

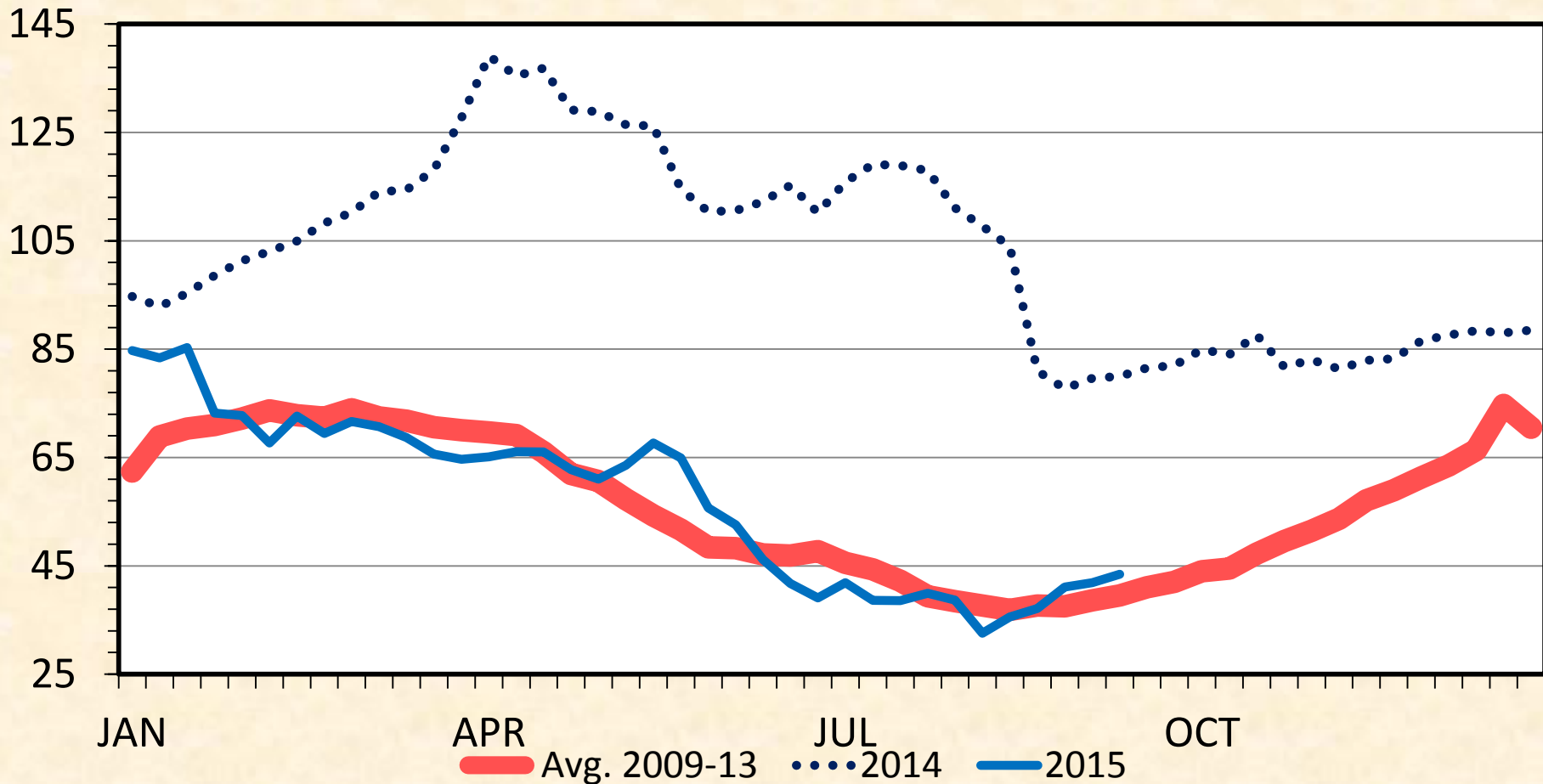
\$ Per Cwt.



# FEEDER PIG PRICES

## 40 Pounds, Weekly

\$ Per Head



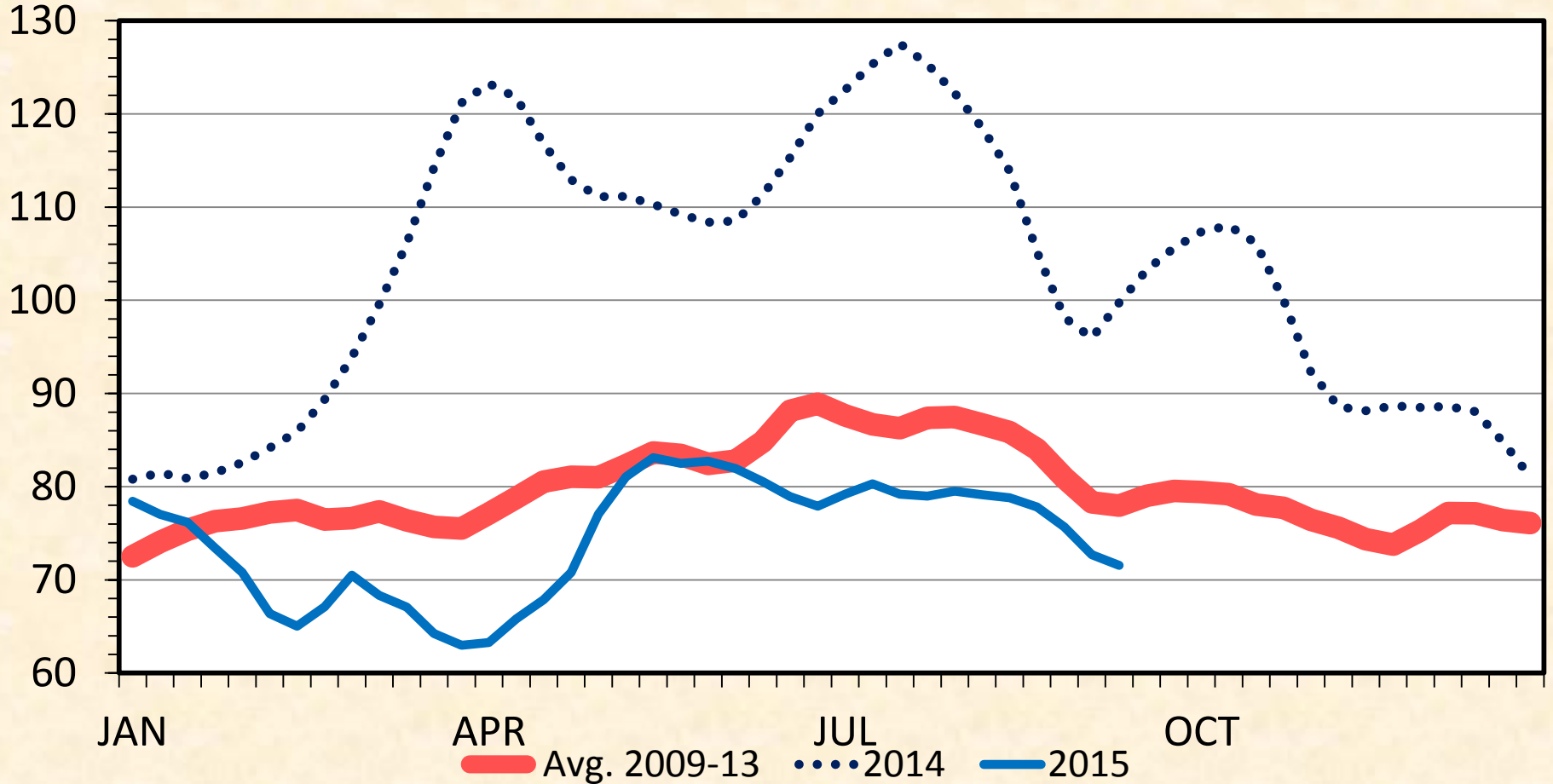
Data Source: USDA-AMS

Livestock Marketing Information Center

# NET SLAUGHTER HOG PRICES

National, Weighted Average Carcass Price, Weekly

\$ Per Cwt



Data Source: USDA-AMS, Compiled & Analysis by LMIC

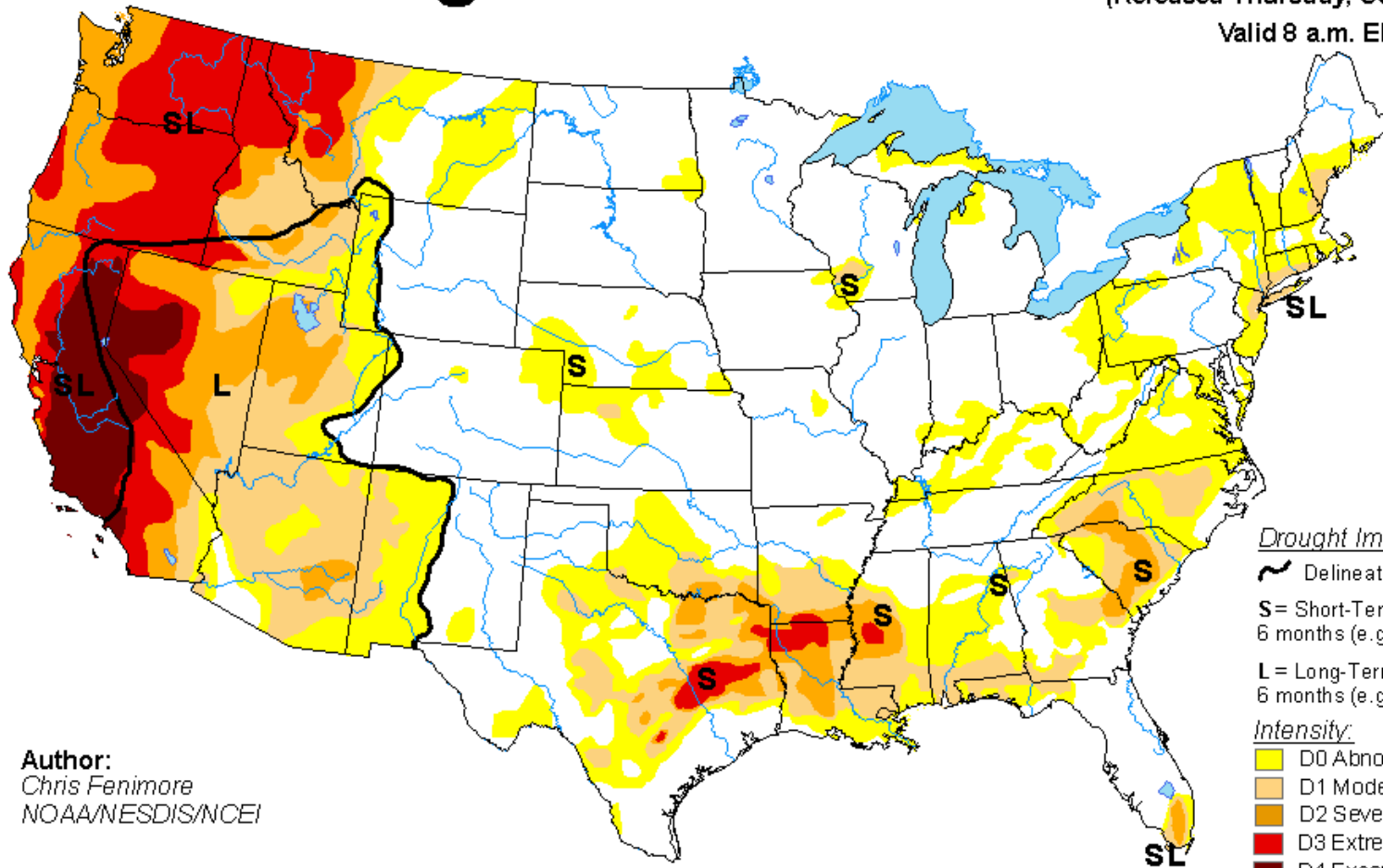
Livestock Marketing Information Center



# U.S. Drought Monitor

September 15, 2015  
(Released Thursday, Sep. 17, 2015)

Valid 8 a.m. EDT



Author:  
Chris Fenimore  
NOAA/NESDIS/NCEI

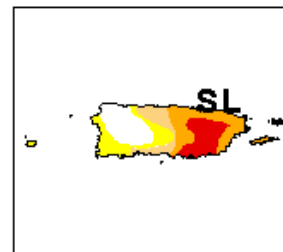
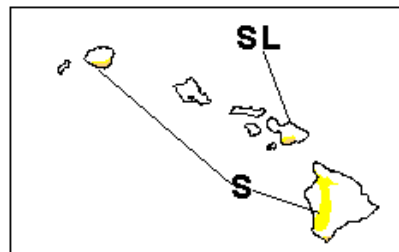
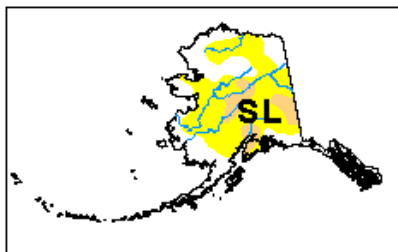
### Drought Impact Types:

- ~ 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
- Dark Orange: D2 Severe Drought
- Red: D3 Extreme Drought
- Dark Red: D4 Exceptional Drought

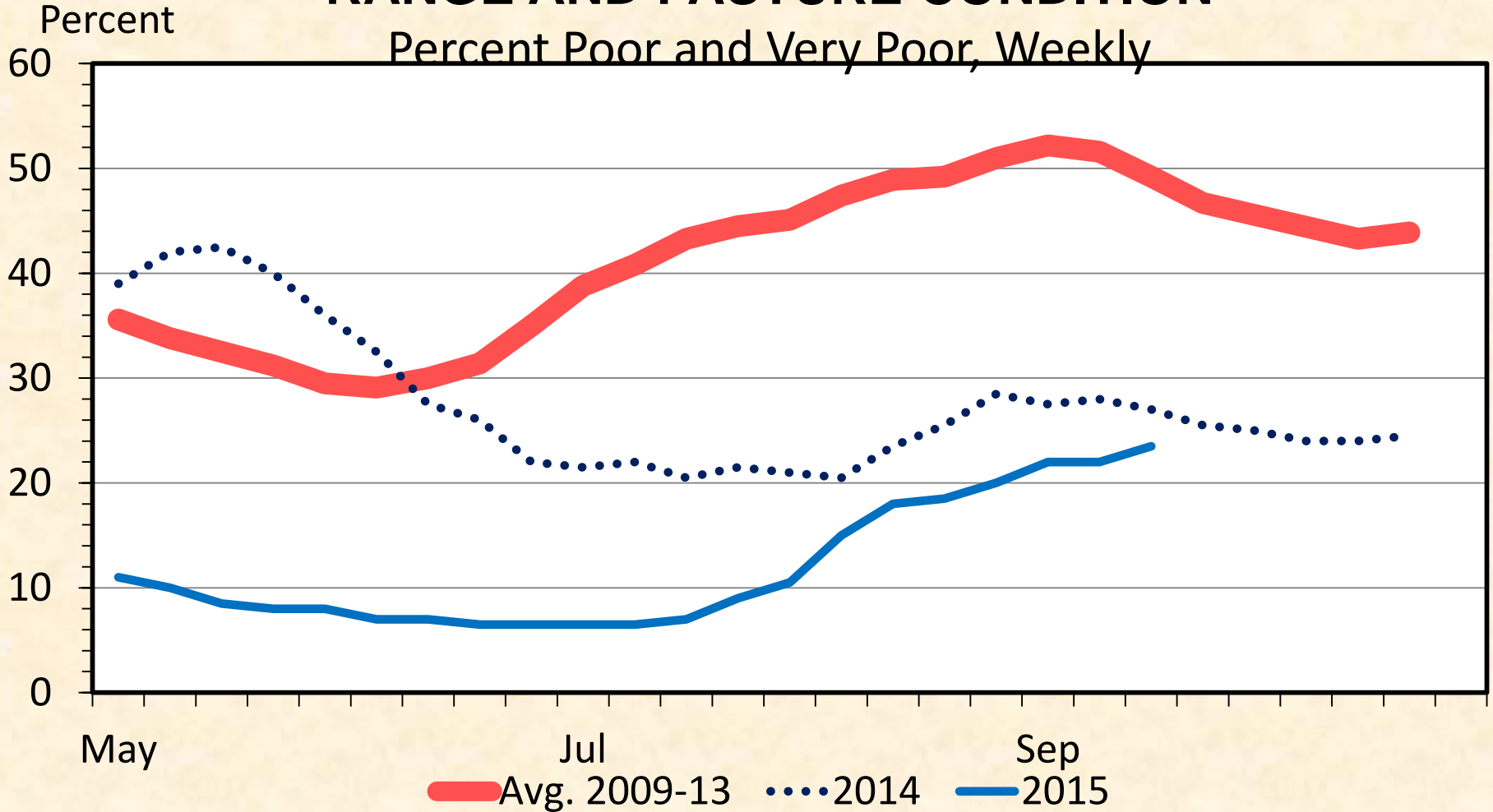
The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. See accompanying text summary for forecast statements.



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

# SOUTHERN PLAINS REGION RANGE AND PASTURE CONDITION

Percent Poor and Very Poor, Weekly

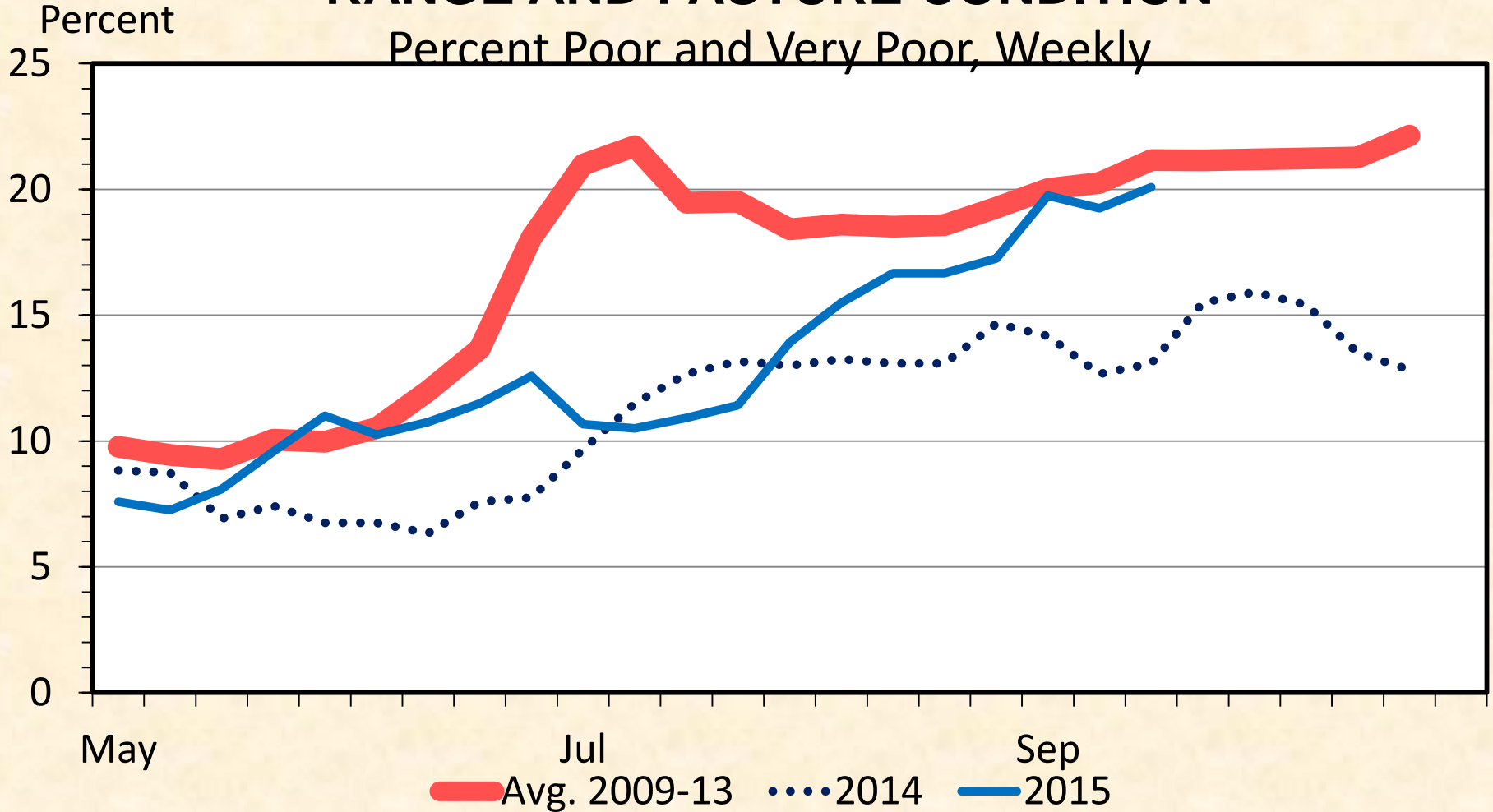


Data Source: USDA-NASS, Compiled & Analysis by LMIC

Livestock Marketing Information Center

# SOUTHEAST REGION RANGE AND PASTURE CONDITION

Percent Poor and Very Poor, Weekly



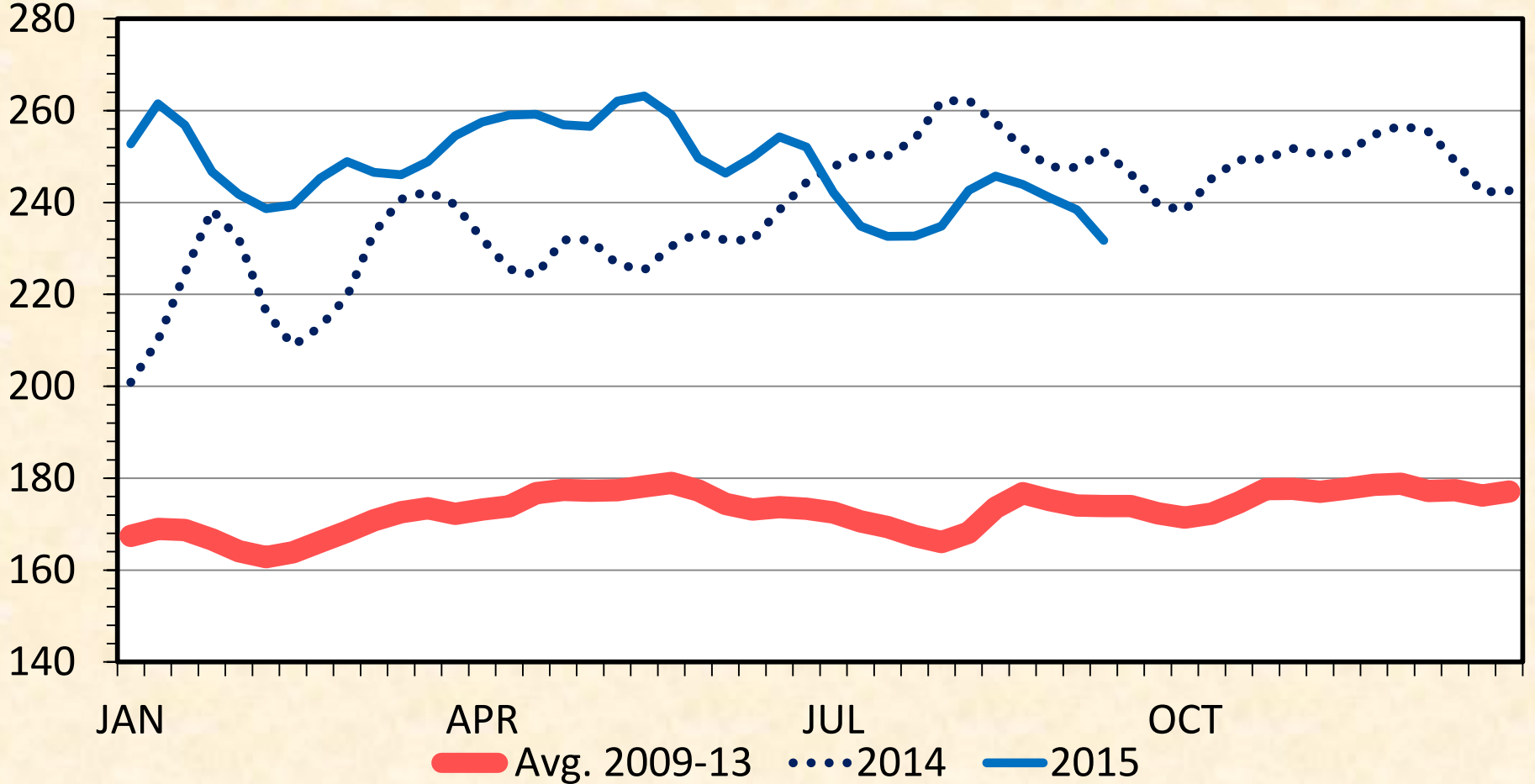
Data Source: USDA-NASS, Compiled & Analysis by LMIC

Livestock Marketing Information Center

# BOXED BEEF CUTOUT VALUE

Choice 600-900 Lbs., Carcass, Weekly

\$ Per Cwt.



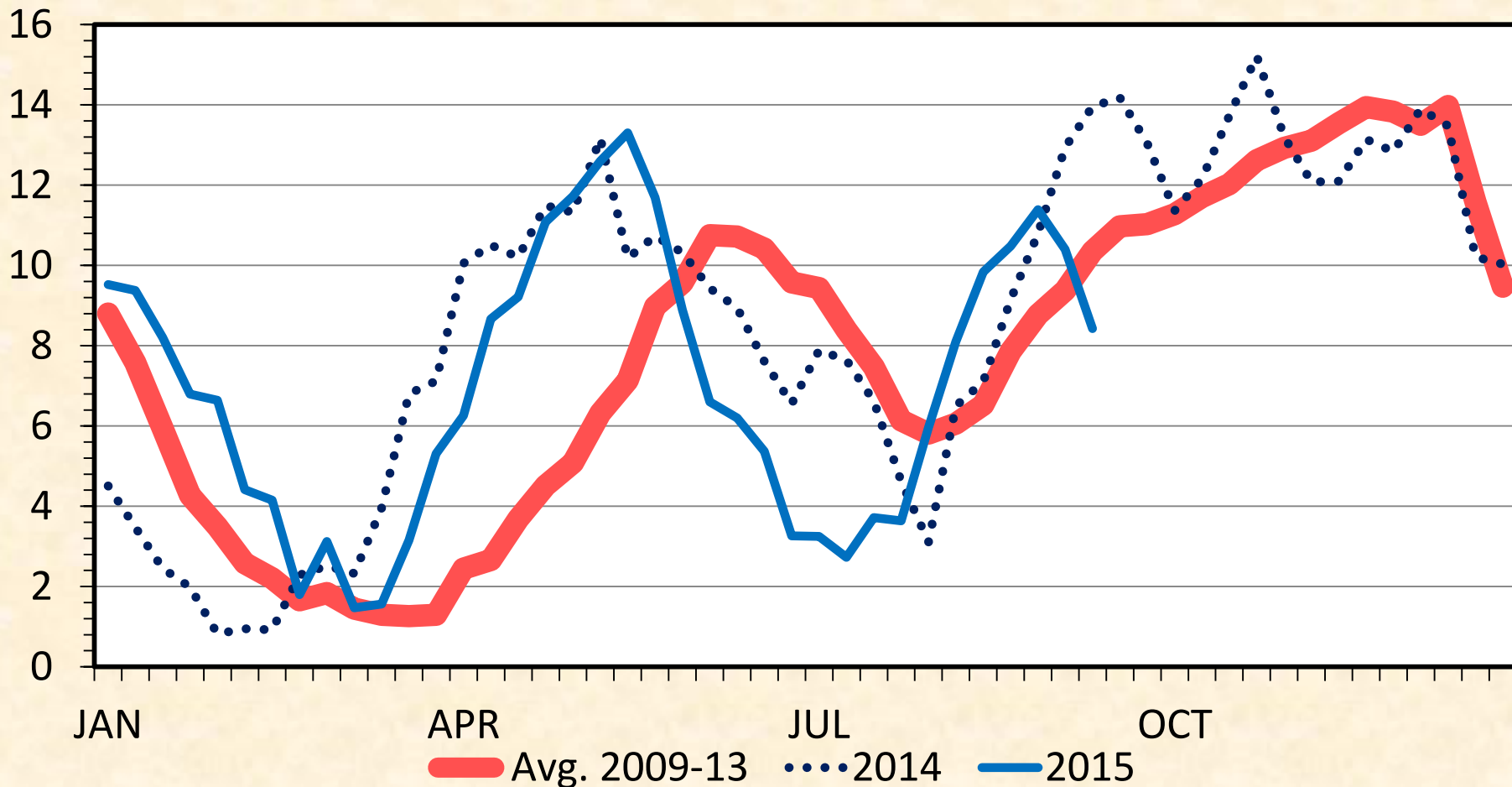
Data Source: USDA-AMS

Livestock Marketing Information Center

# CHOICE MINUS SELECT BEEF PRICES

Carcass Cutout Value 600-900 Lbs., Weekly

\$ Per Cwt.



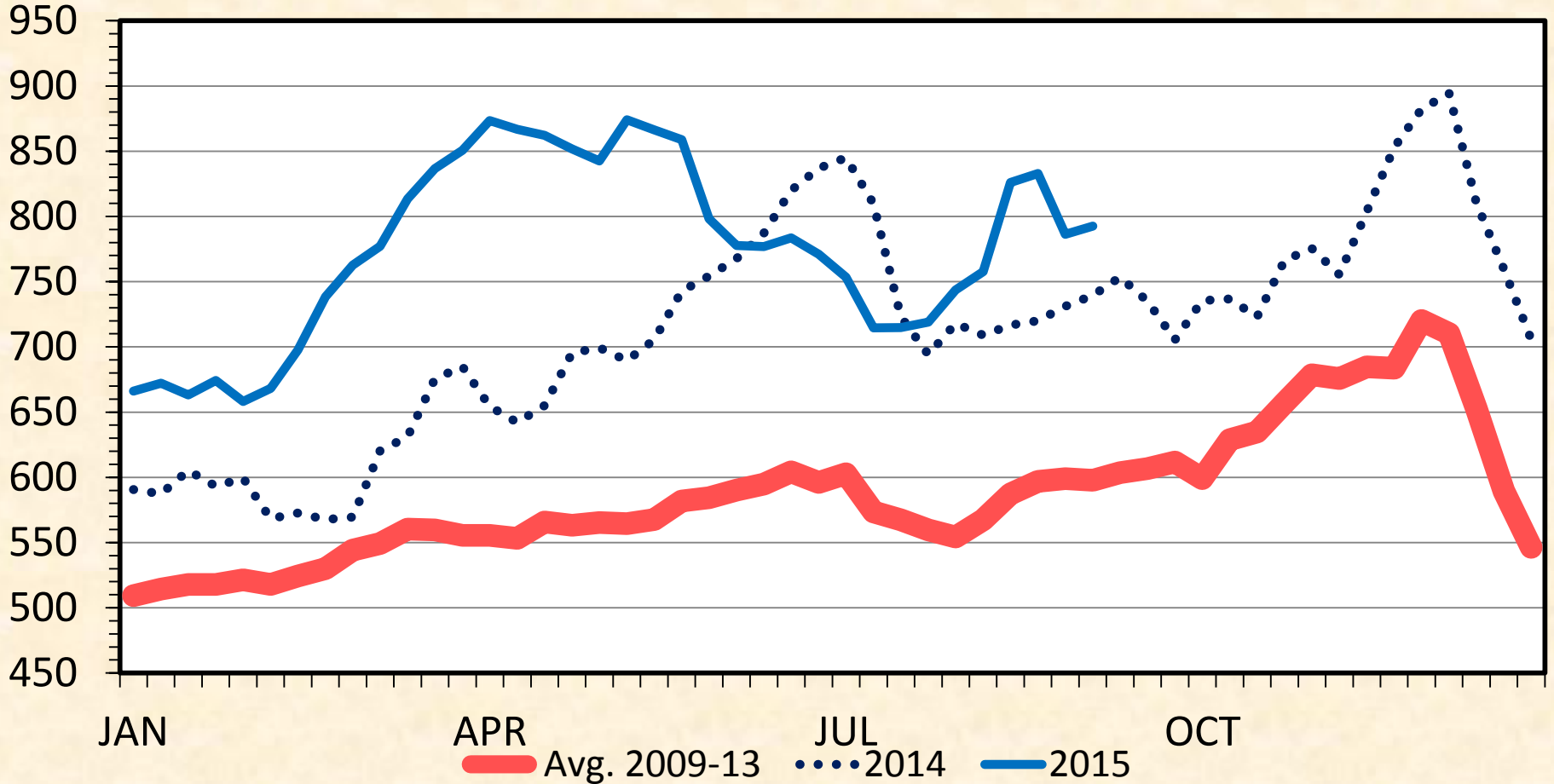
Data Source: USDA-AMS, Compiled & Analysis by LMIC

Livestock Marketing Information Center

# WHOLESALE BEEF RIBEYE PRICES

Boneless, Light, Weekly

Cents Per Cwt.



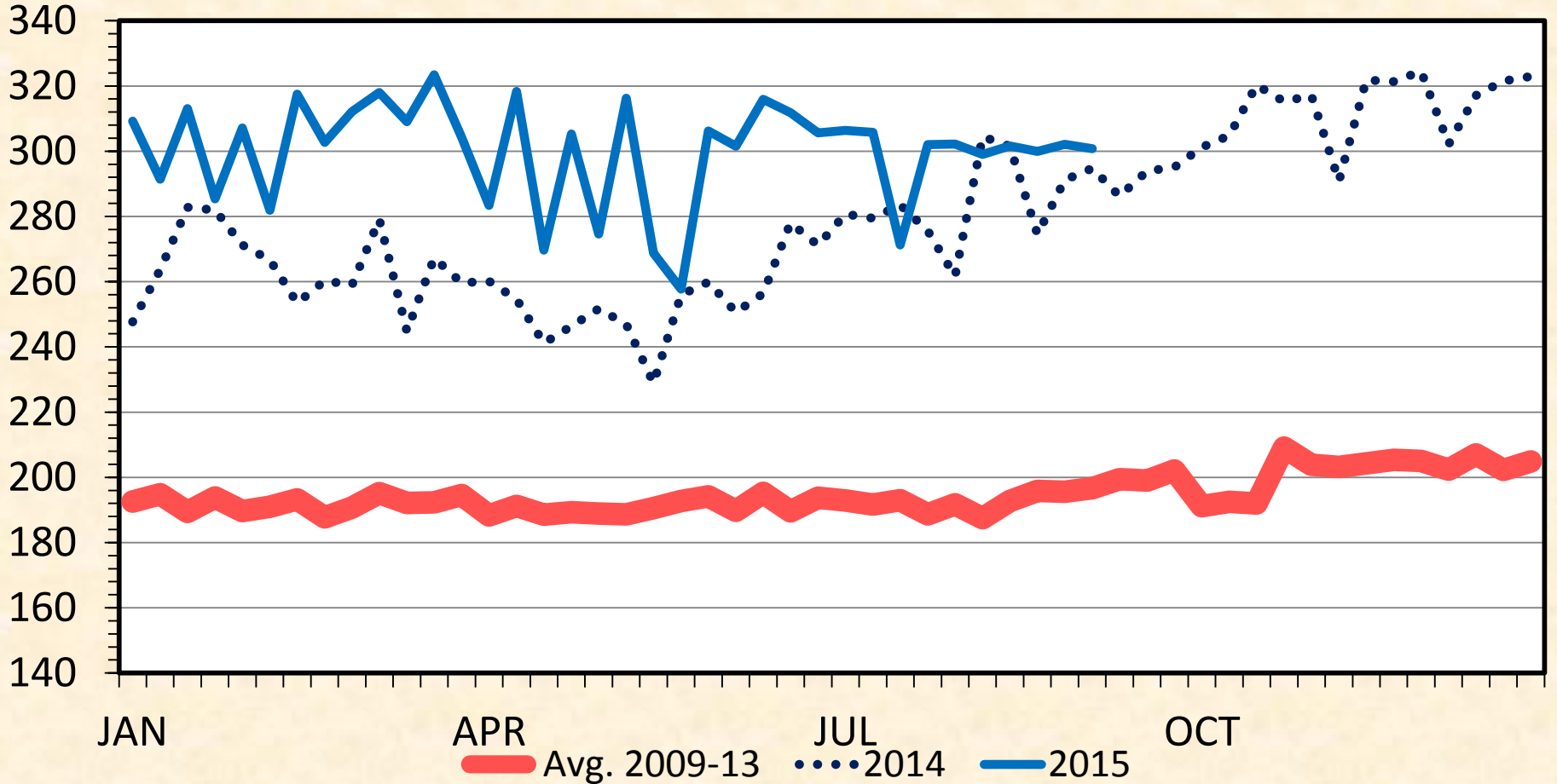
Data Source: USDA-AMS

Livestock Marketing Information Center

# WHOLESALE BEEF CHUCK PRICES

## Boneless 2 Piece, Weekly

\$ Per Cwt.



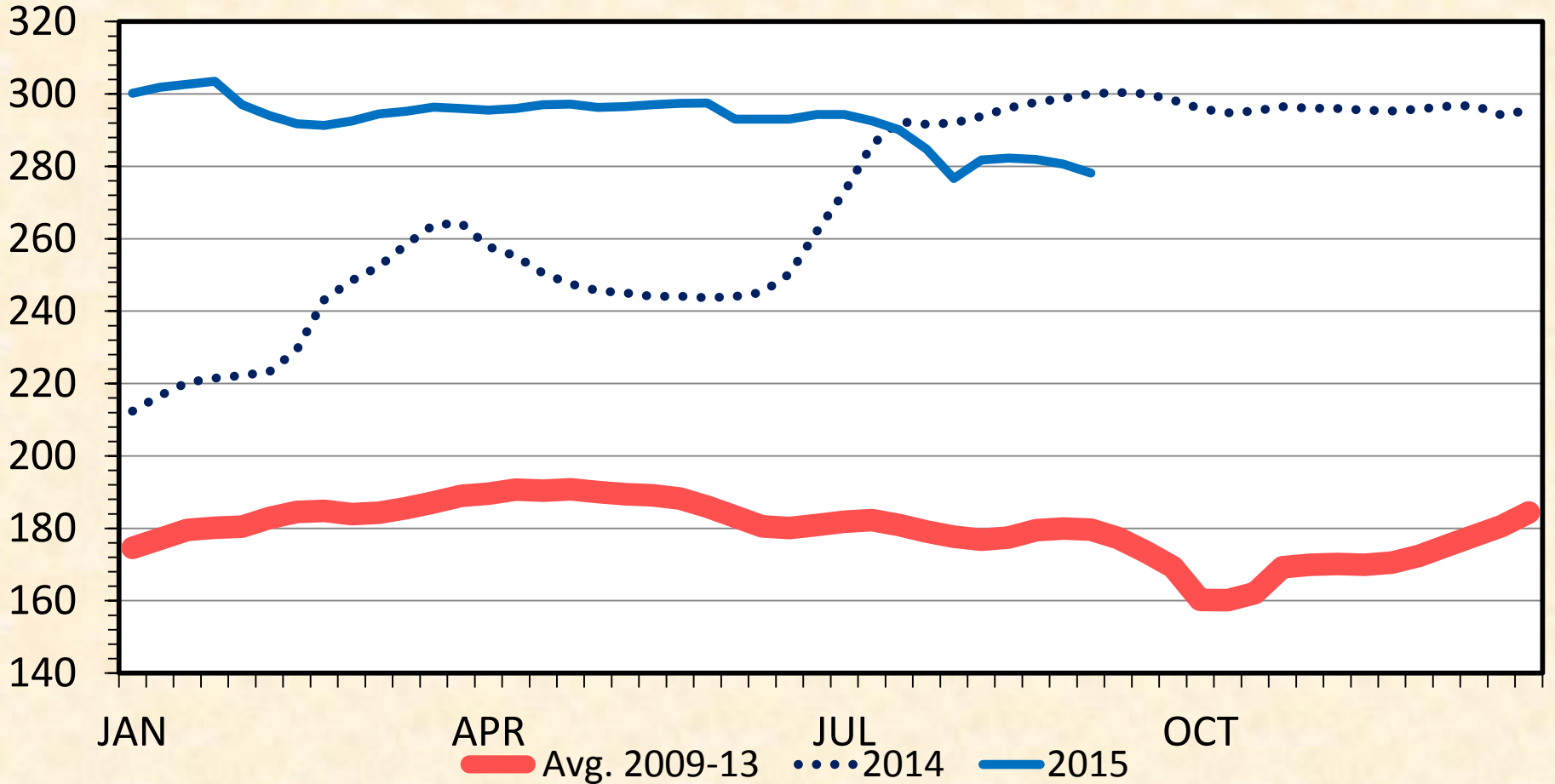
Data Source: USDA-AMS

Livestock Marketing Information Center

# WHOLESALE BONELESS BEEF PRICES

Fresh, 90% Lean, Weekly

\$ Per Cwt.



Data Source: USDA-AMS

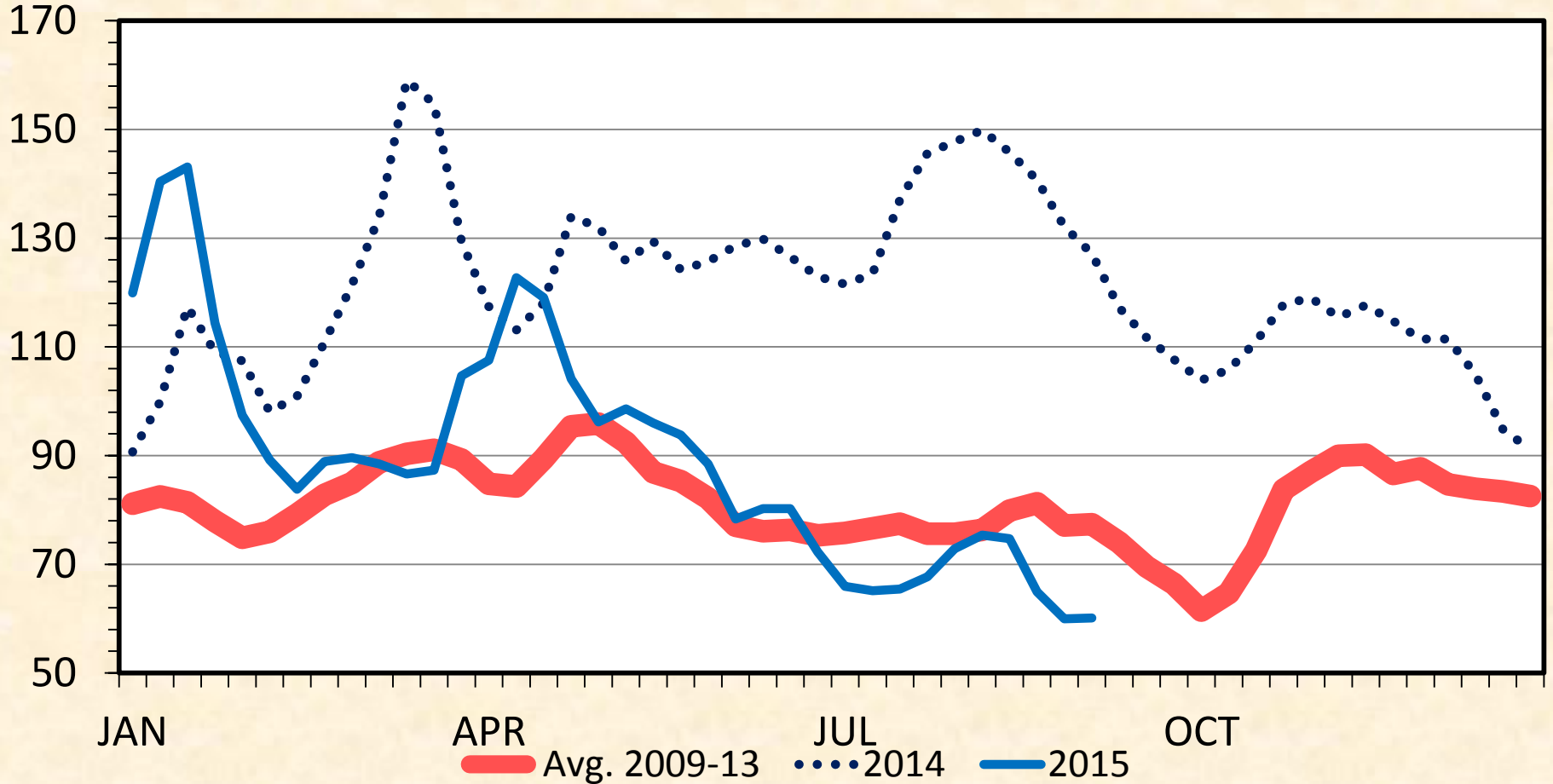
Livestock Marketing Information Center



# WHOLESALE BONELESS BEEF PRICES

Fresh, 50% Lean, Weekly

\$ Per Cwt.



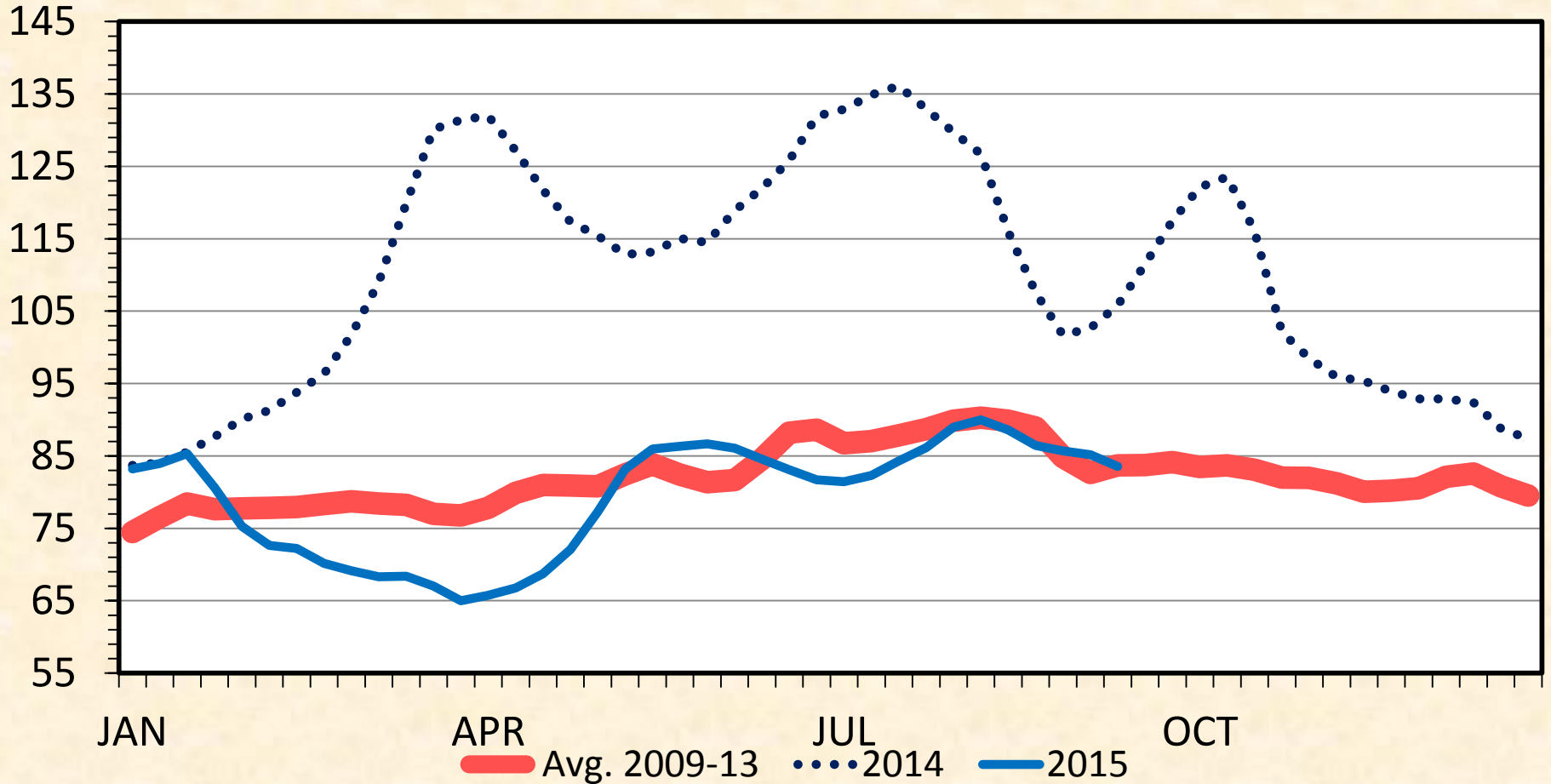
Data Source: USDA-AMS

Livestock Marketing Information Center

# PORK CUTOUT VALUE

(Voluntary data prior to 2013), Weekly

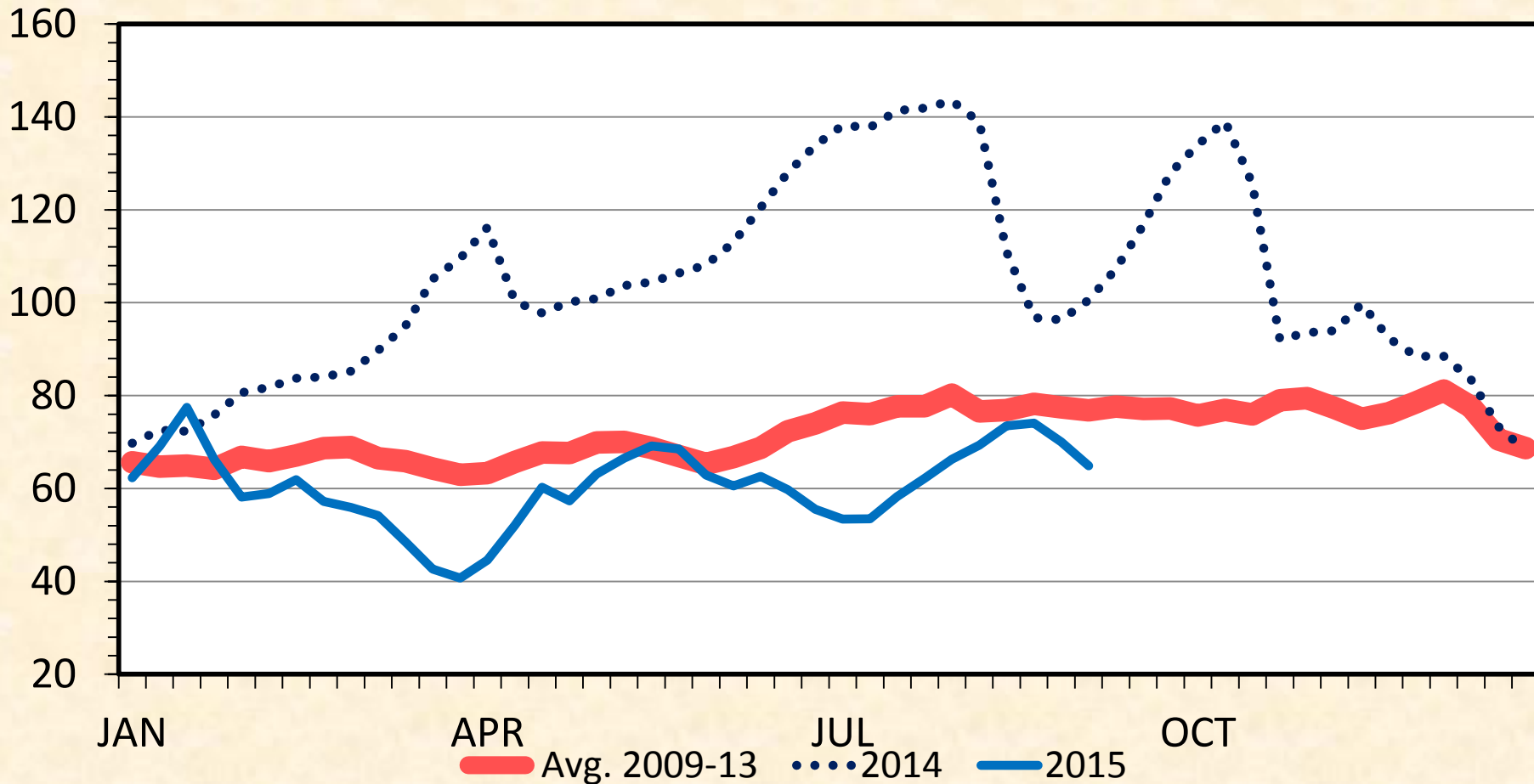
\$ Per Cwt.



# WHOLESALE HAM PRICES

Trimmed Selected, 23-27 Pounds, Weekly

\$ Per Cwt.



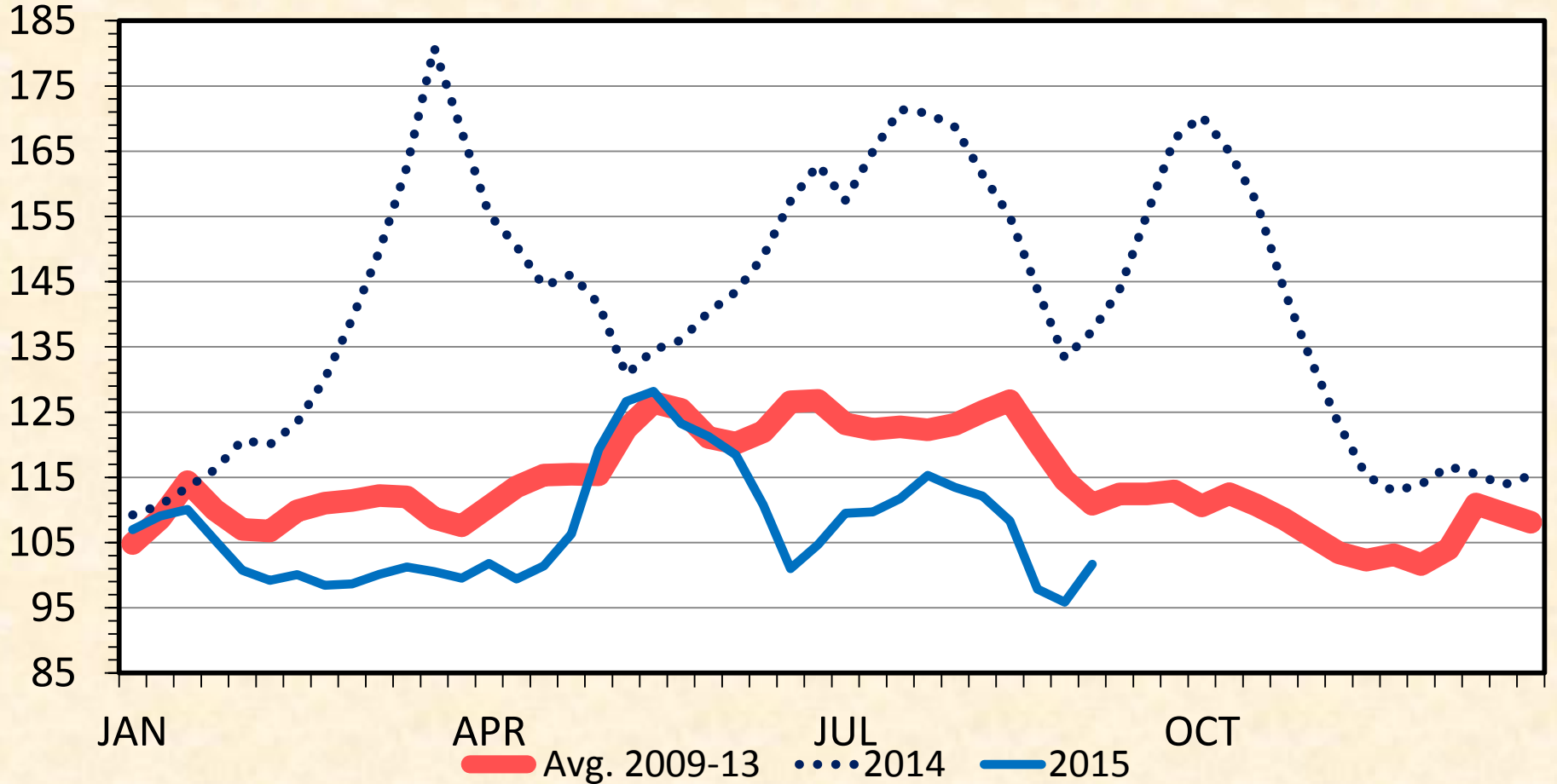
Data Source: USDA-AMS

Livestock Marketing Information Center

# WHOLESALE PORK LOIN PRICES

¼ Inch Trim, Vacuum Sealed, Weekly

\$ Per Cwt.



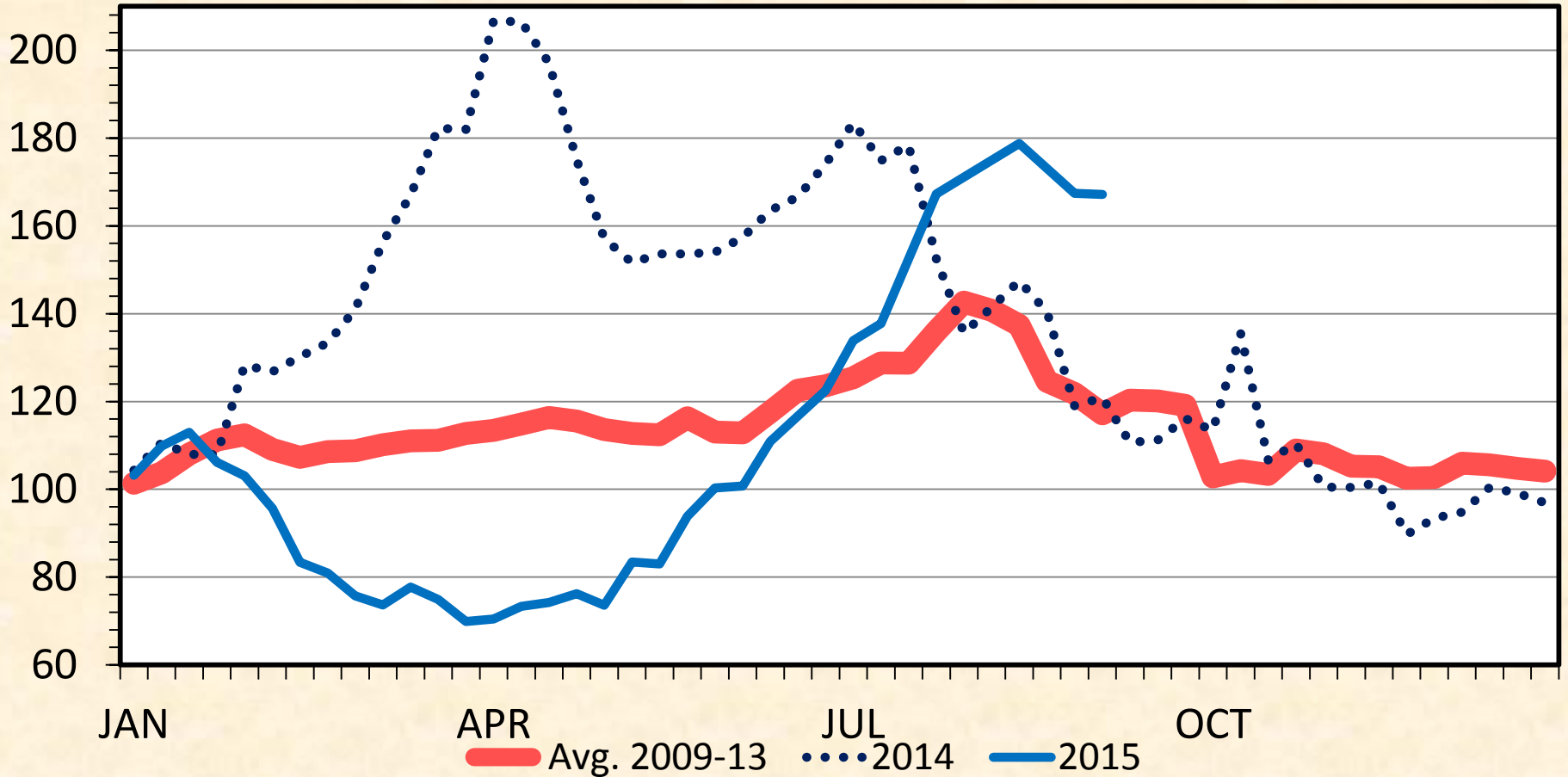
Data Source: USDA-AMS

Livestock Marketing Information Center

# WHOLESALE PORK BELLY PRICES

Skin-on, 14-16 Pounds, Weekly

\$ Per Cwt.



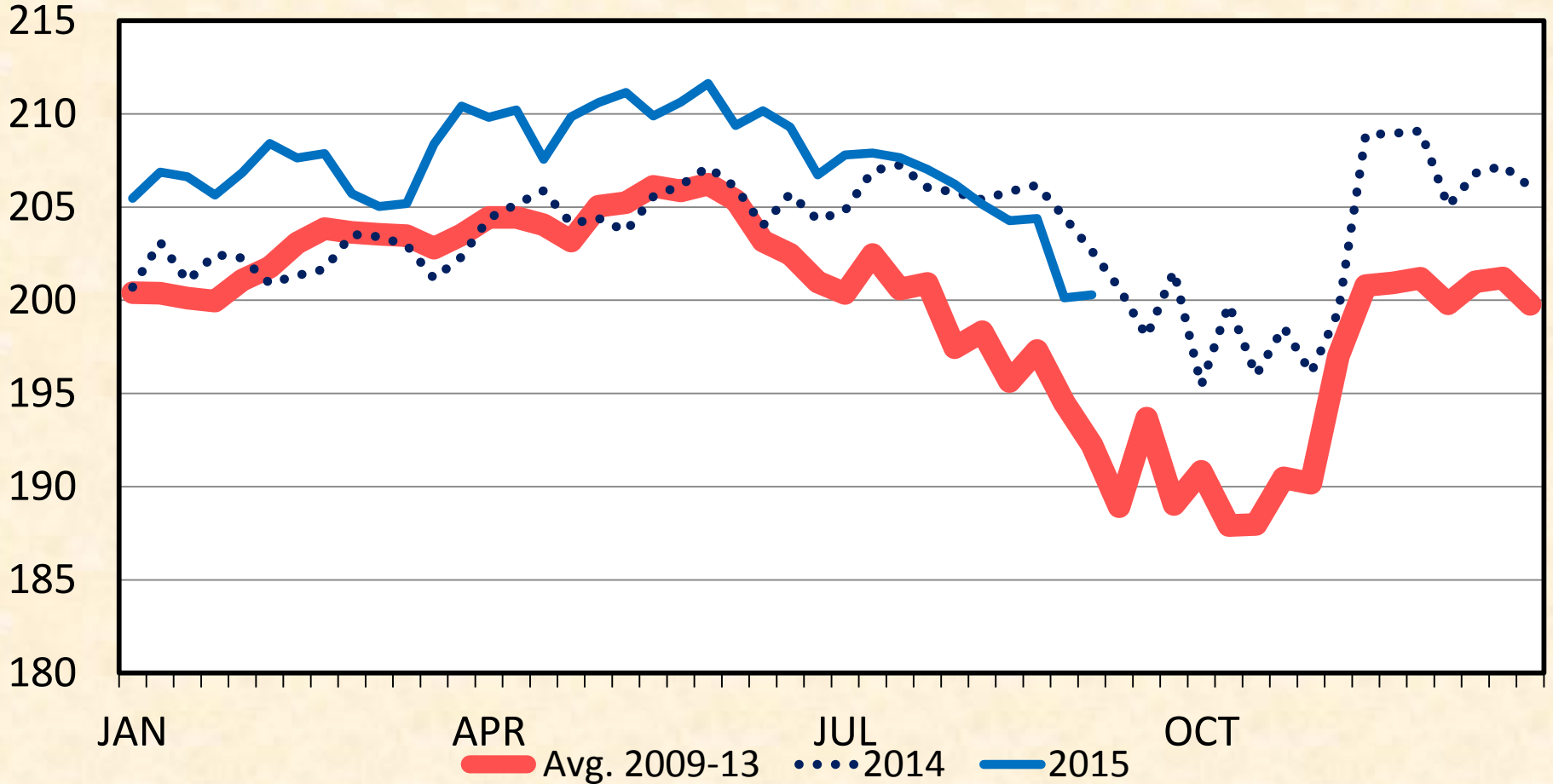
Data Source: USDA-AMS

Livestock Marketing Information Center

# BROILER EGGS SET

Weekly

Mil. Eggs

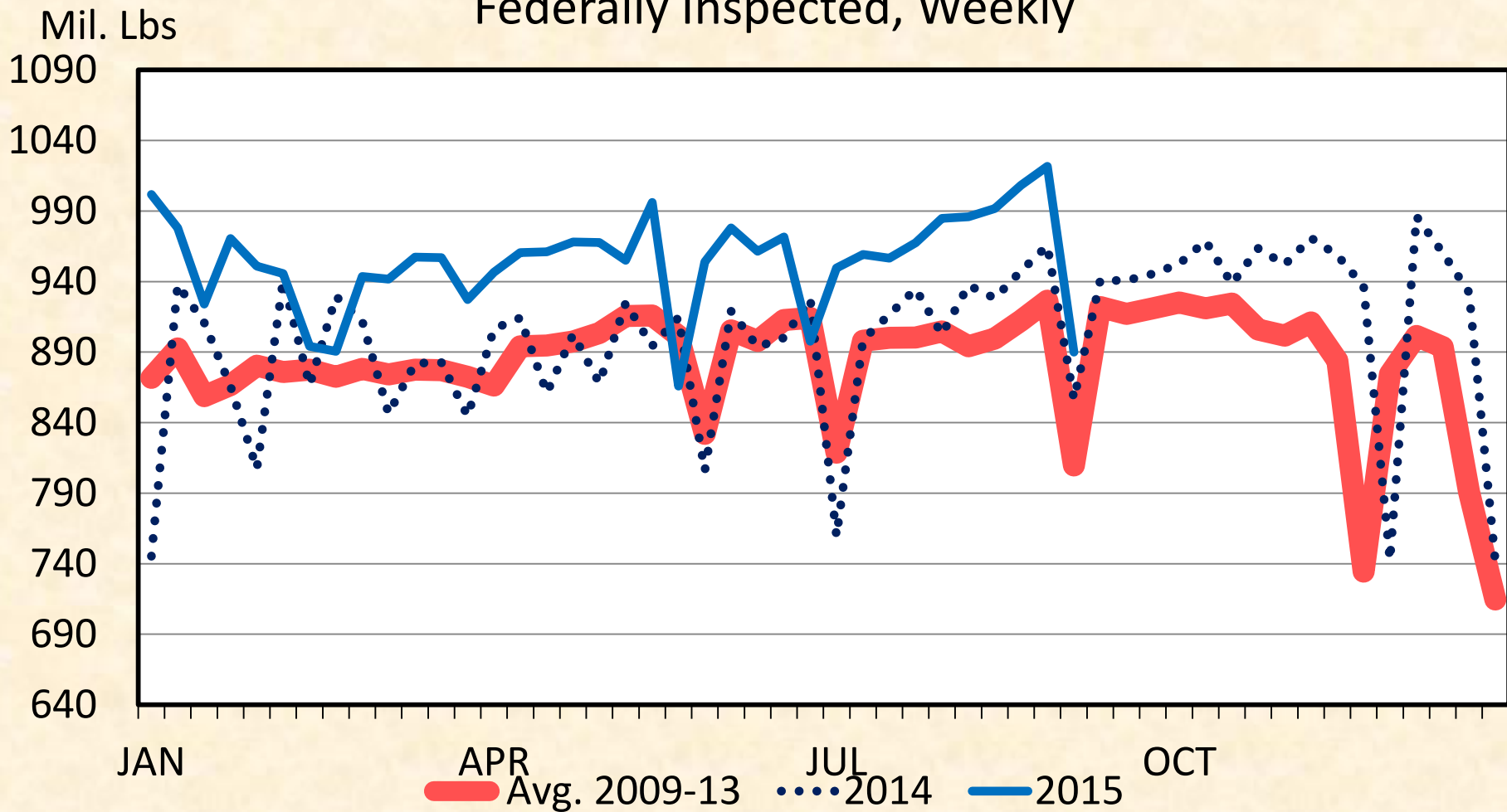


Data Source: USDA-NASS

Livestock Marketing Information Center

# BROILER PRODUCTION

Federally Inspected, Weekly

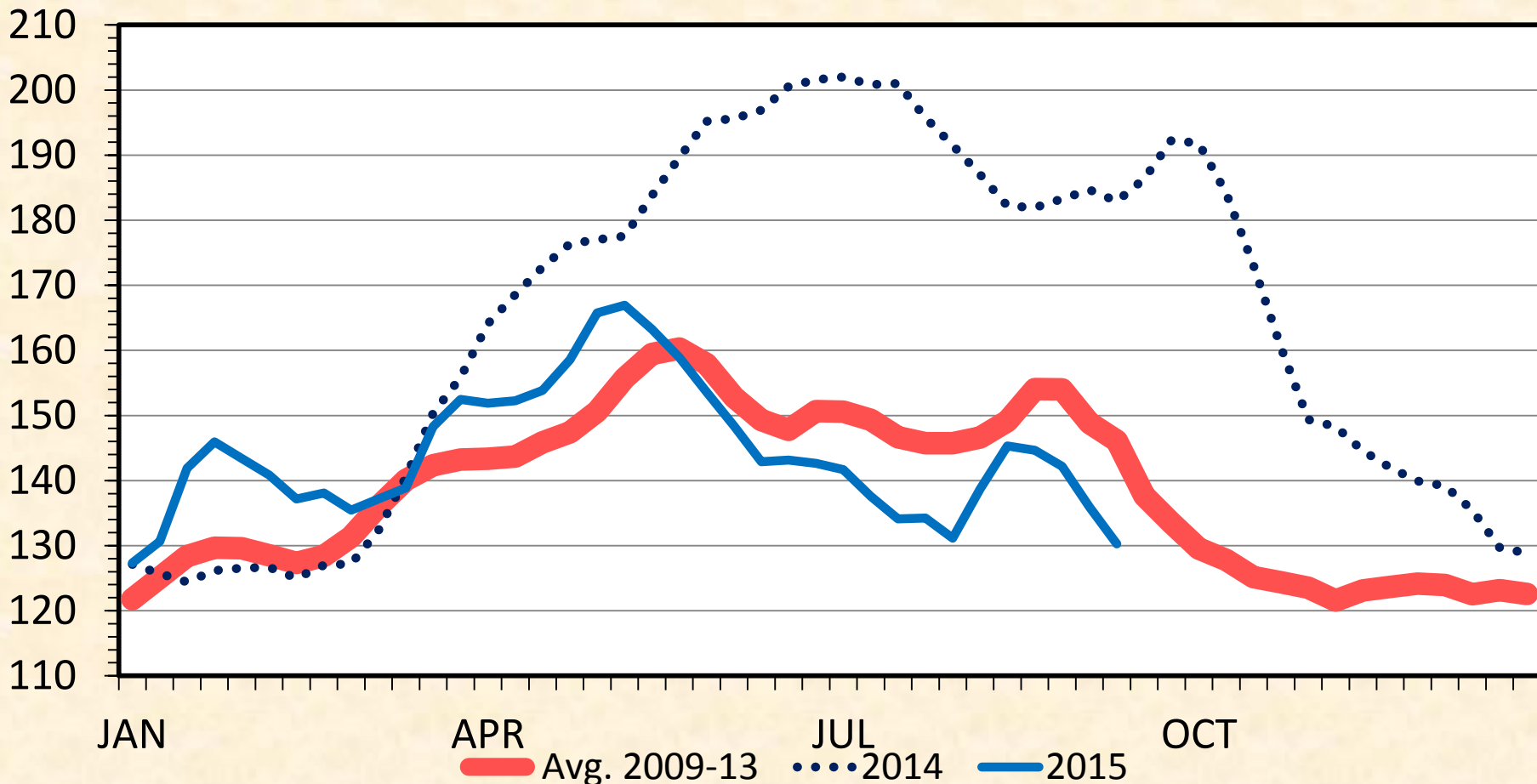


Data Source: USDA-AMS & USDA-NASS

Livestock Marketing Information Center

# WHOLESALE CHICKEN BREAST PRICES

Cents Per Pound Skinless/Boneless, Northeast, Truckload, Weekly



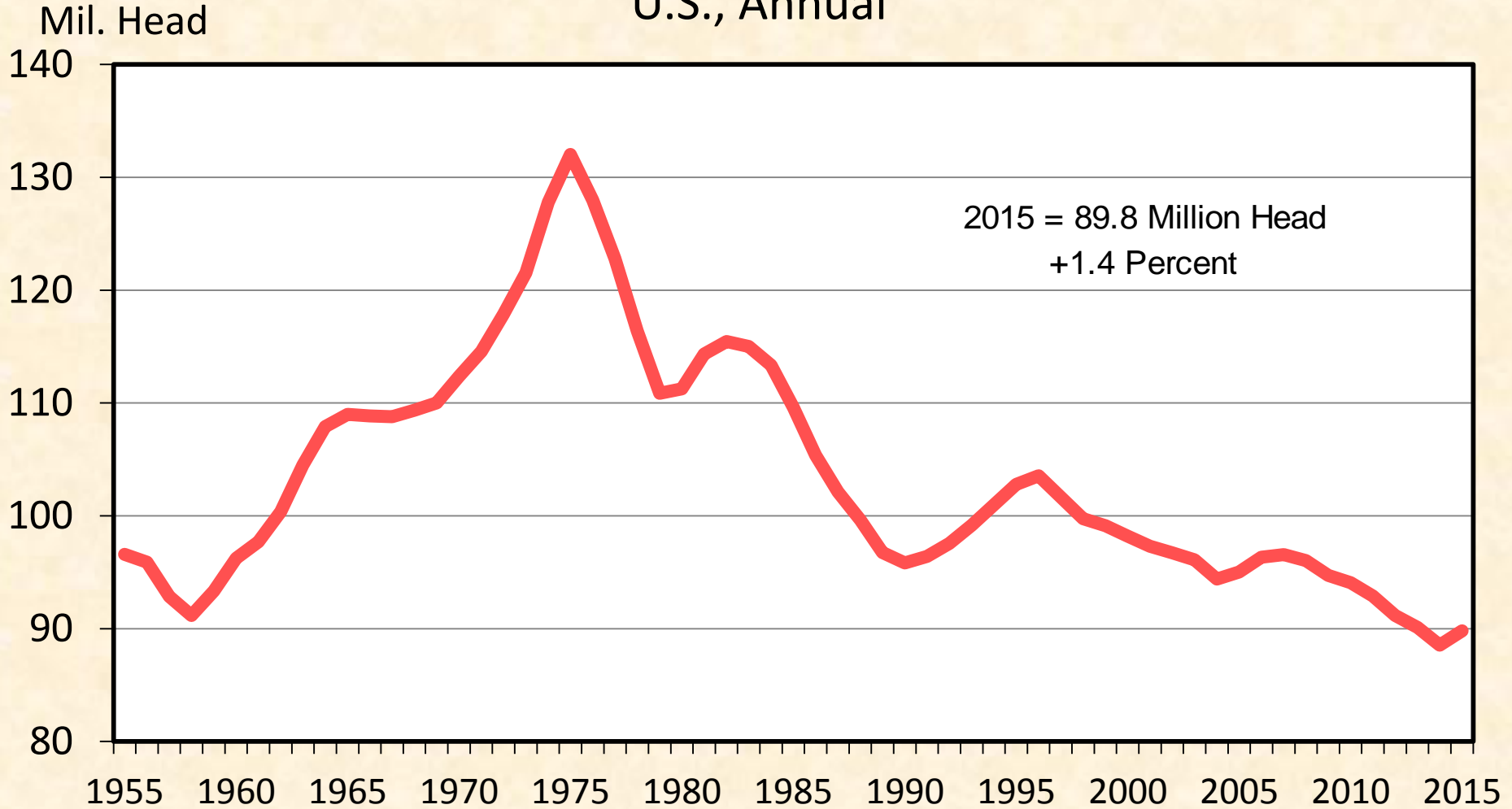
Data Source: USDA-AMS

Livestock Marketing Information Center



# JANUARY 1 TOTAL CATTLE INVENTORY

U.S., Annual



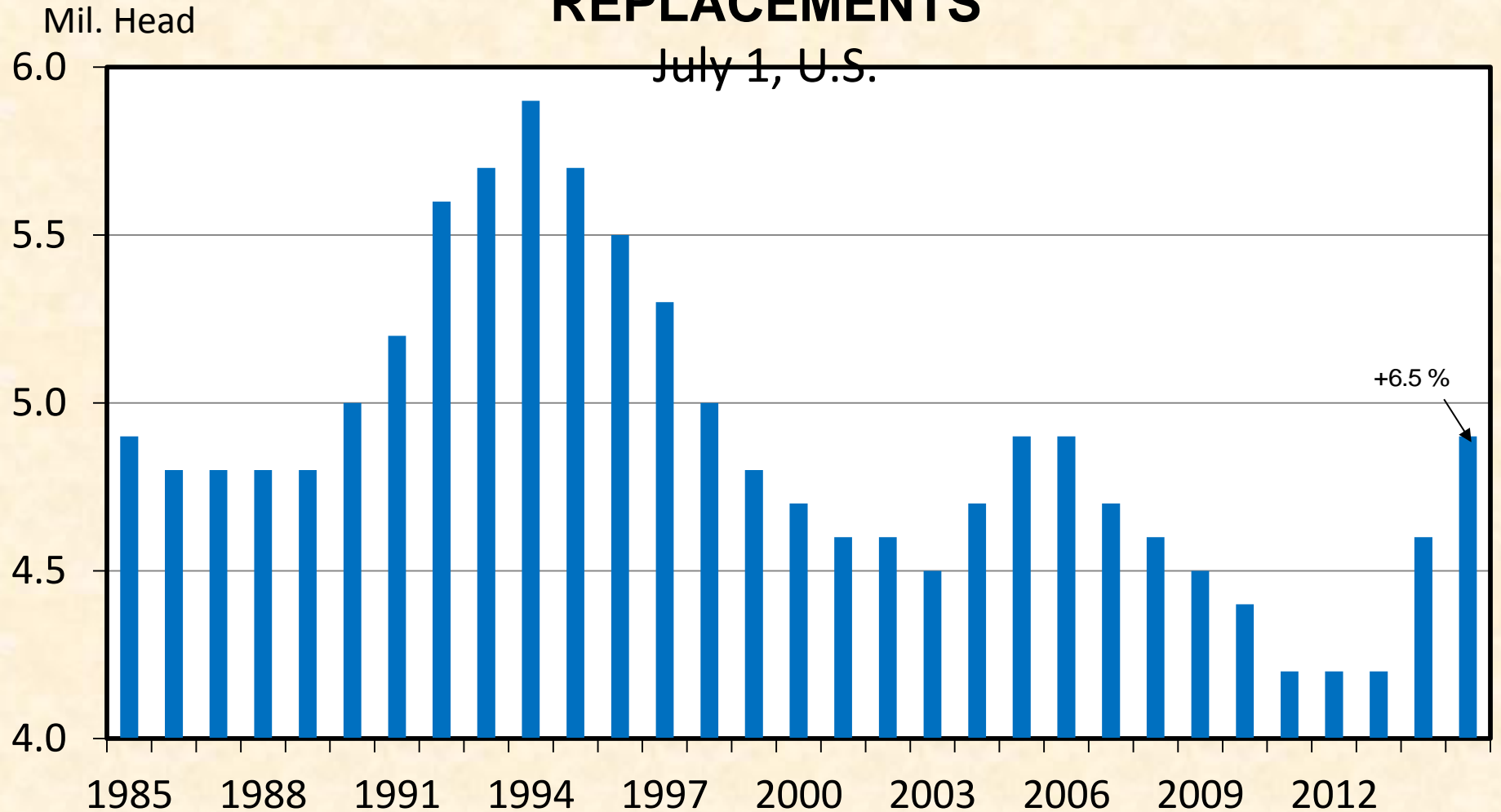
Data Source: USDA-NASS

Livestock Marketing Information Center

C-N-01

02/06/15

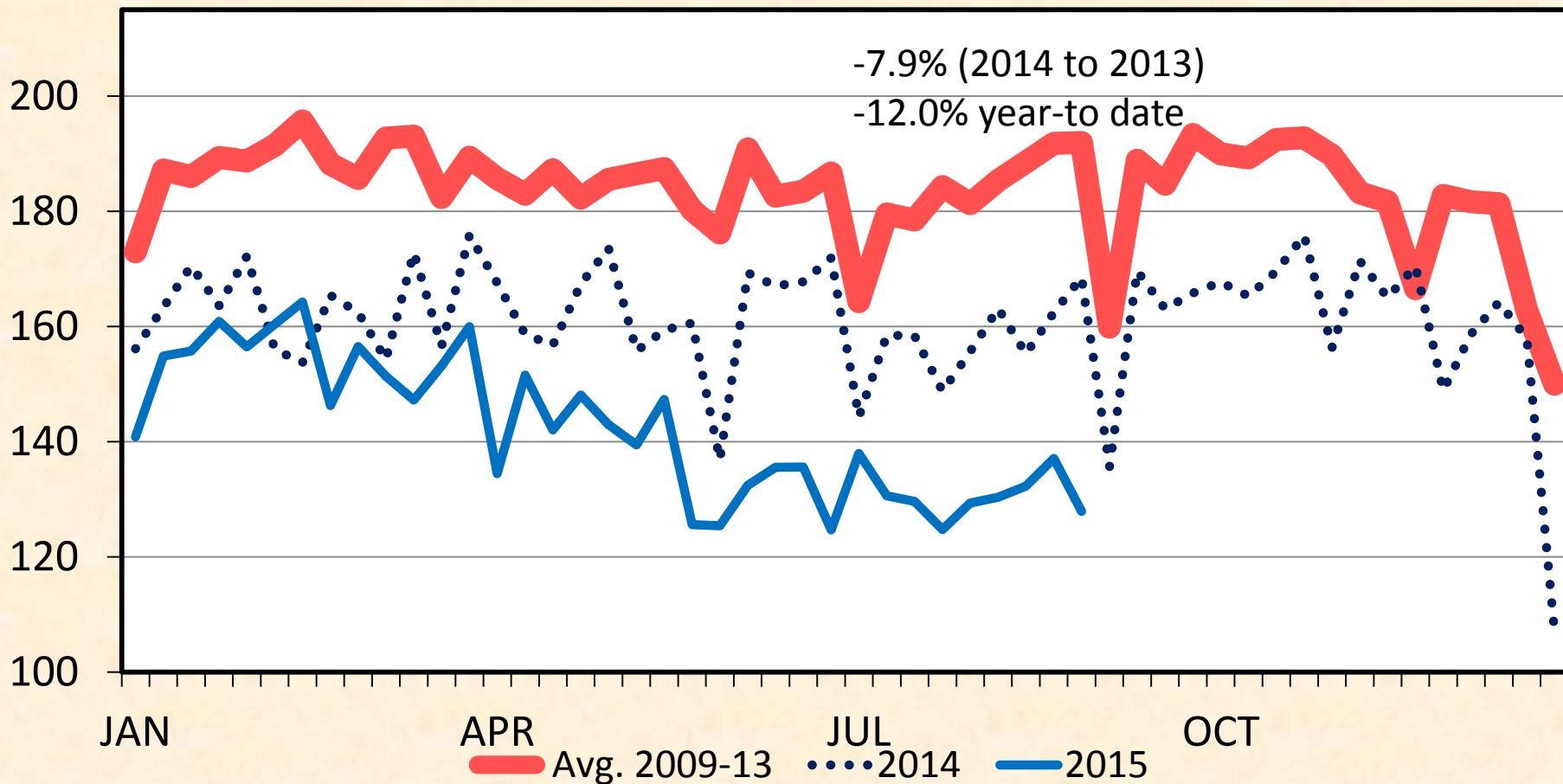
# HEIFERS HELD AS BEEF COW REPLACEMENTS



# HEIFER SLAUGHTER

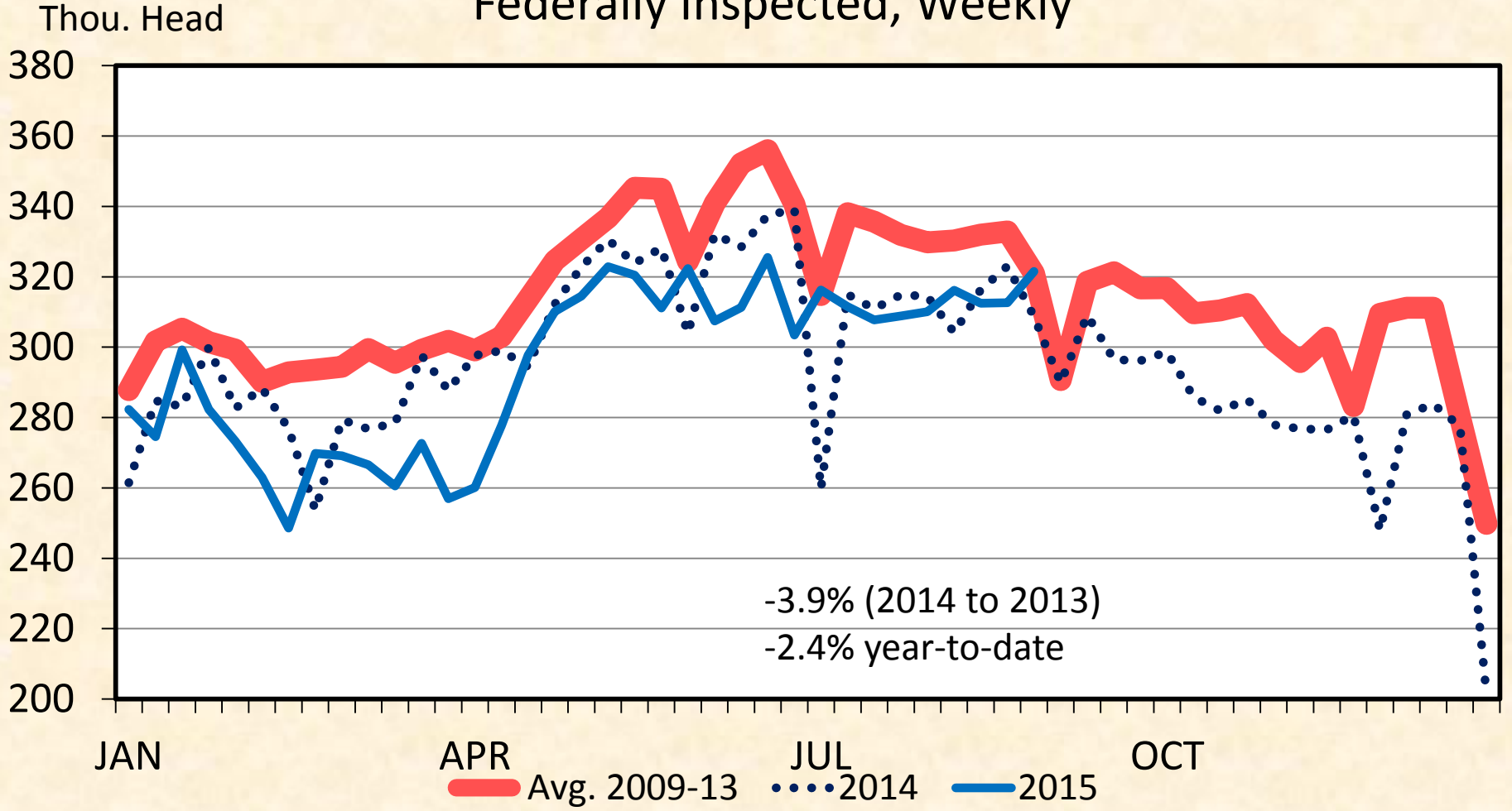
## Federally Inspected, Weekly

Thou. Head



# STEER SLAUGHTER

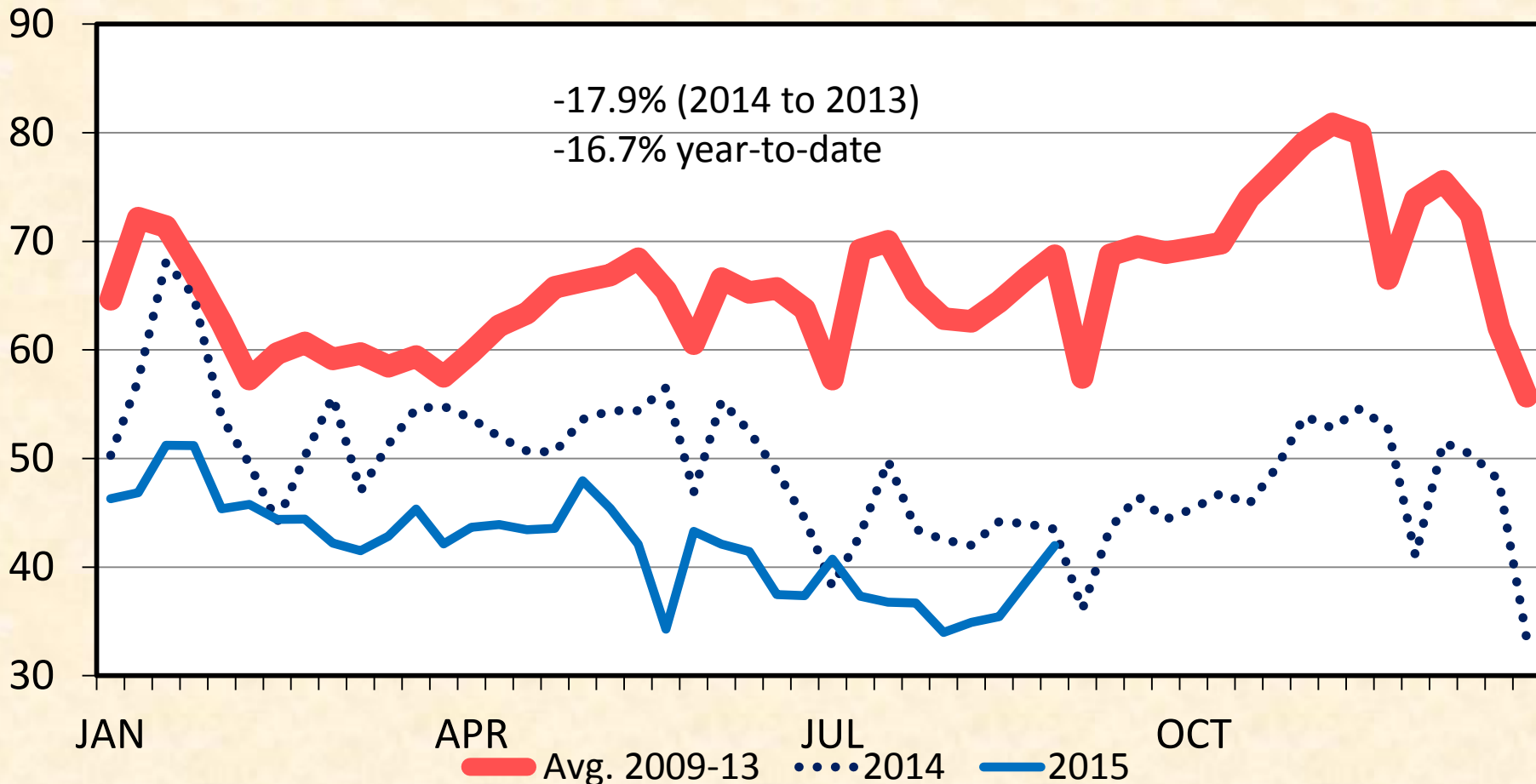
## Federally Inspected, Weekly



# BEEF COW SLAUGHTER

Federally Inspected, Weekly

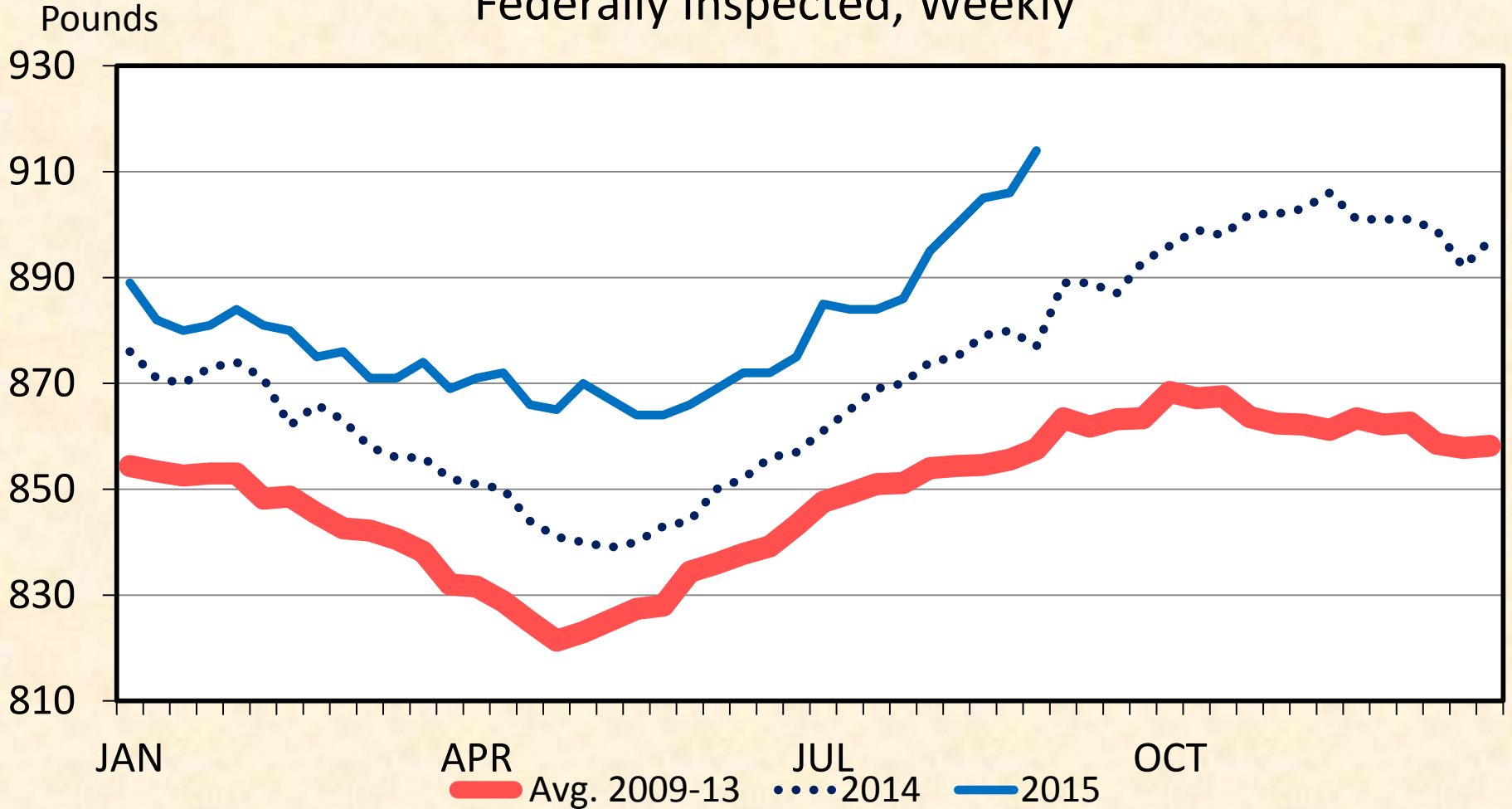
Thou. Head



-17.9% (2014 to 2013)  
-16.7% year-to-date

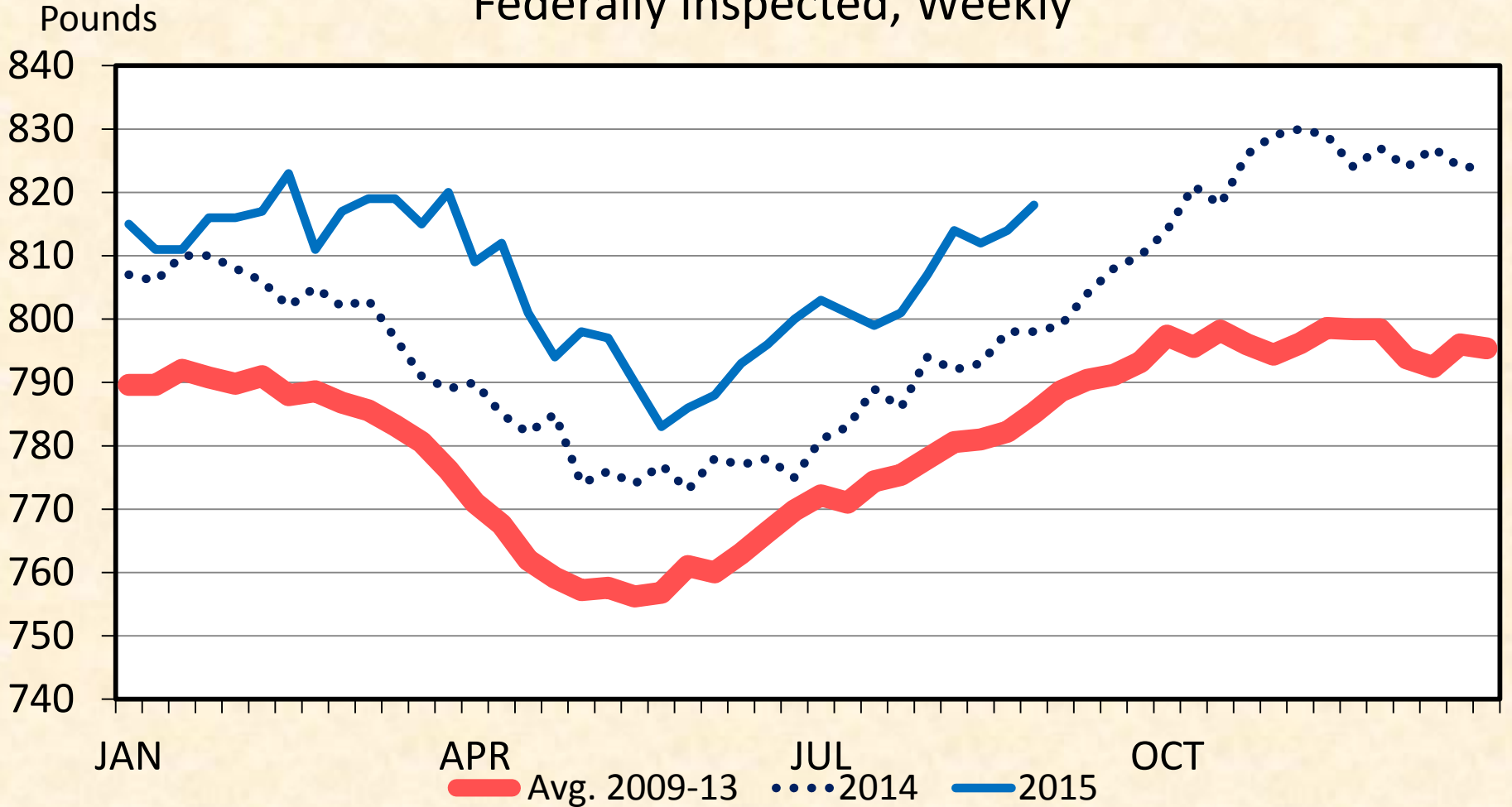
# STEER DRESSED WEIGHT

## Federally Inspected, Weekly



# HEIFER DRESSED WEIGHT

Federally Inspected, Weekly



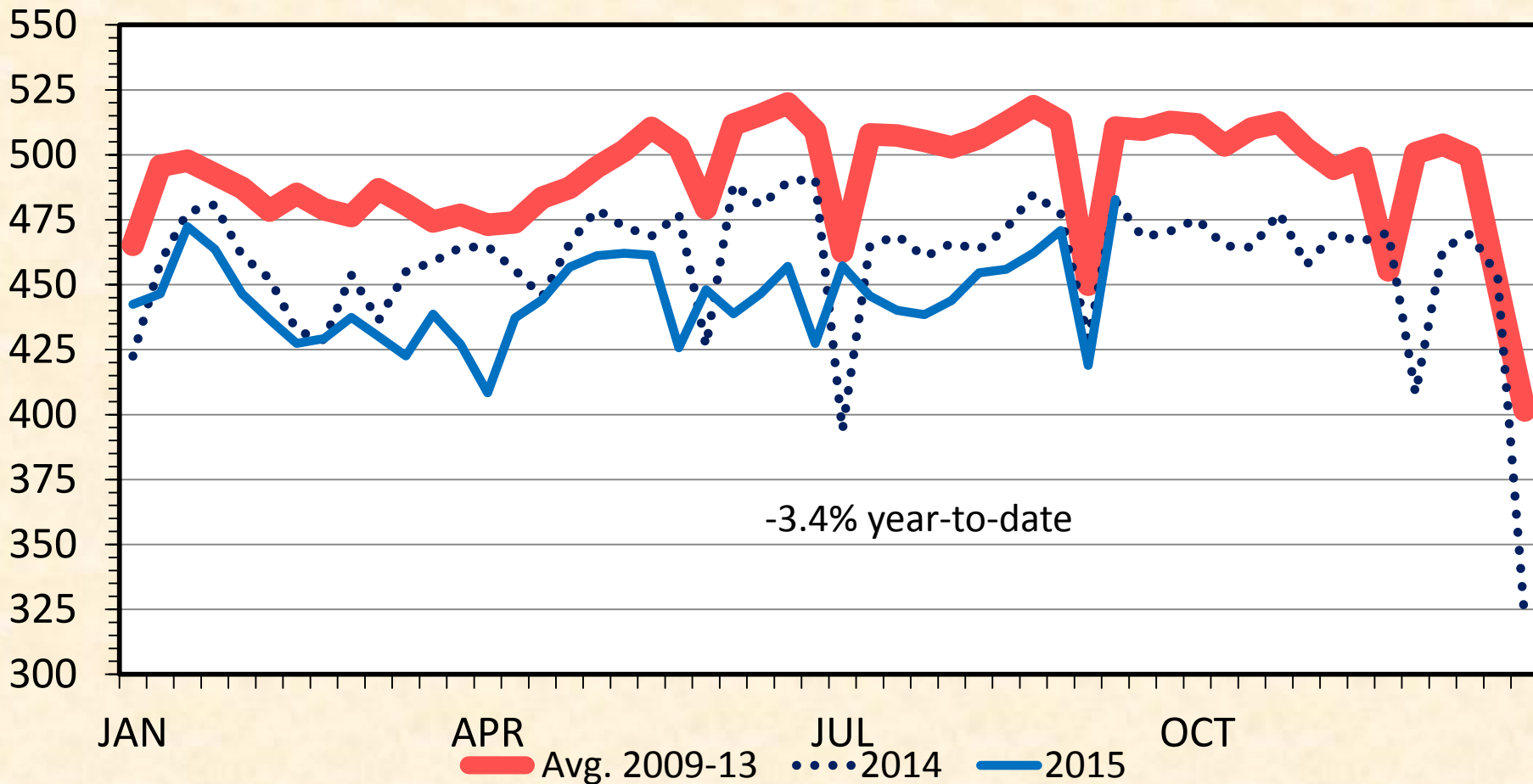
Data Source: USDA-AMS & USDA-NASS

Livestock Marketing Information Center

# BEEF PRODUCTION

## Federally Inspected, Weekly

Mil. Pounds

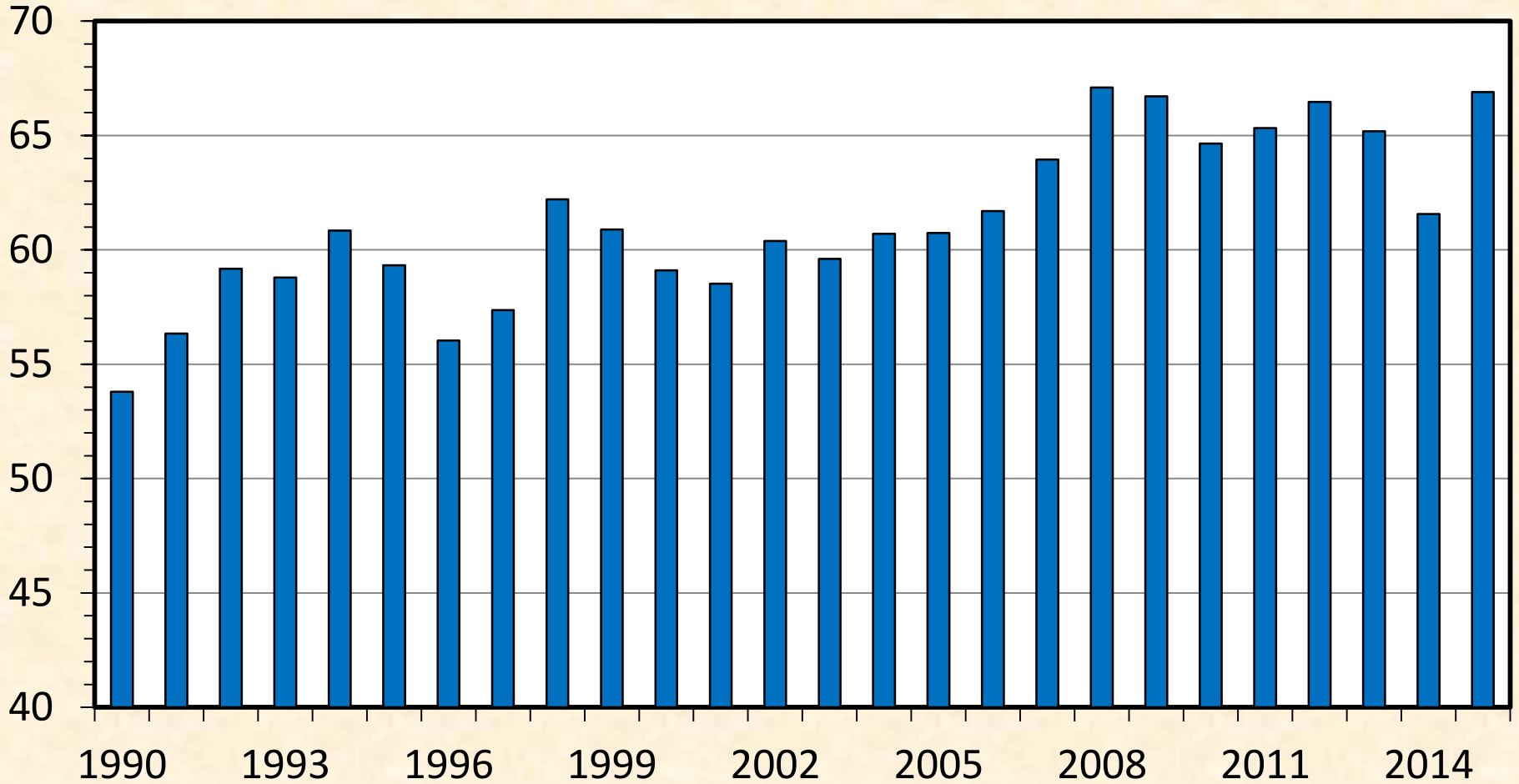




# JUNE 1 ALL HOGS AND PIGS

U.S. Inventory

Mil. Head



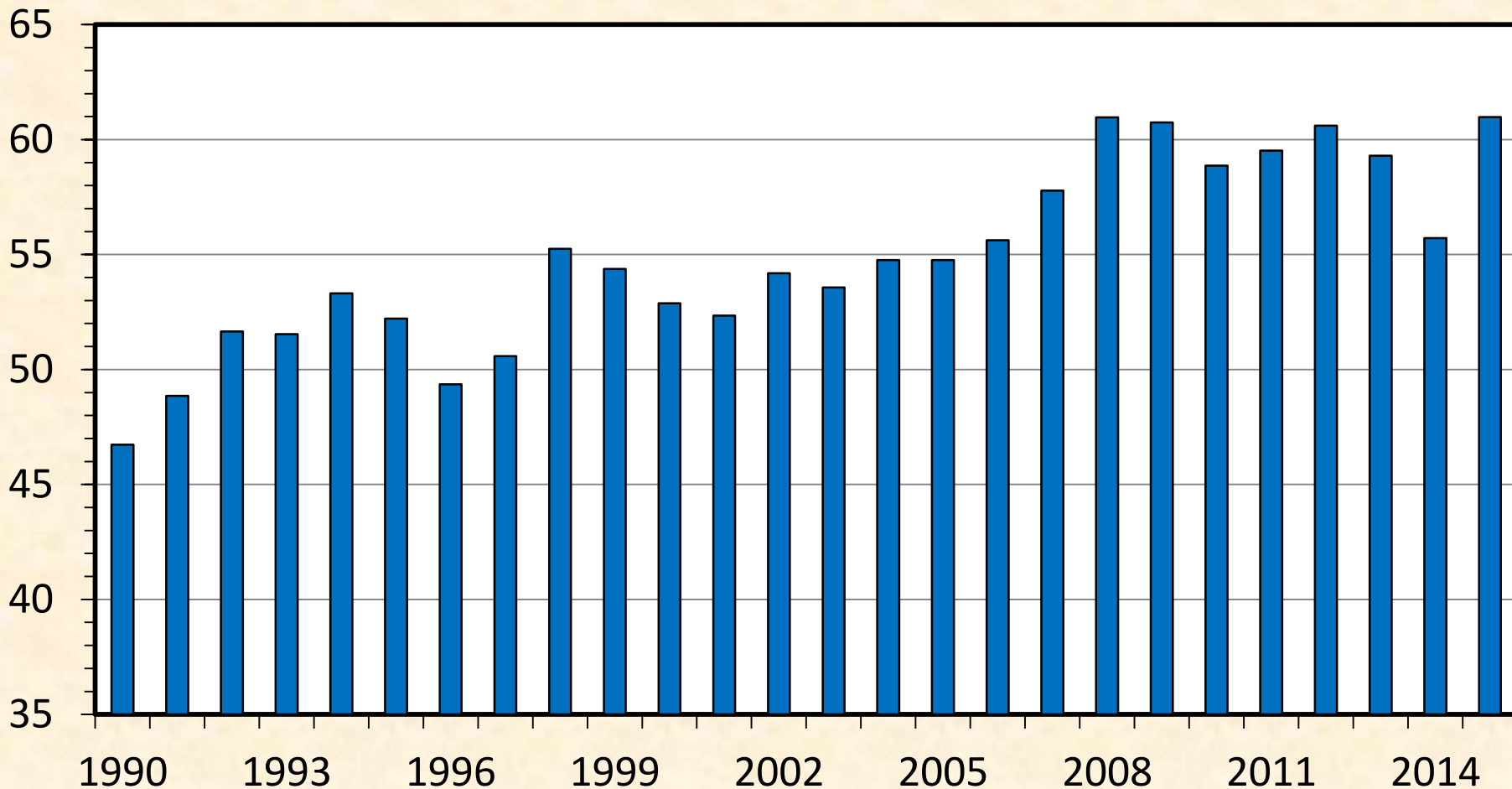
Data Source: USDA-NASS

Livestock Marketing Information Center

# JUNE 1 MARKET HOGS

U.S. Inventory

Mil. Head

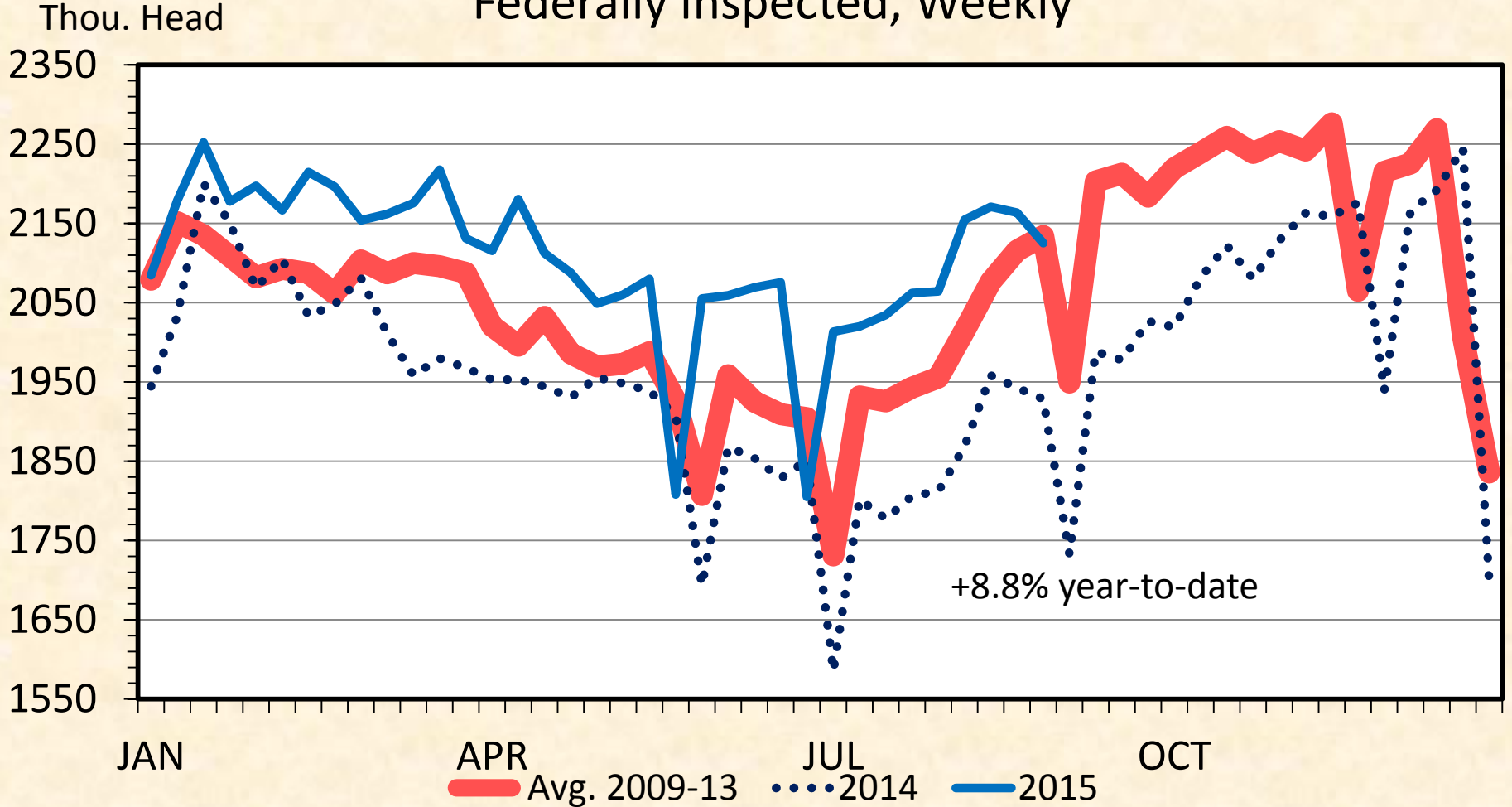


Data Source: USDA-NASS

Livestock Marketing Information Center

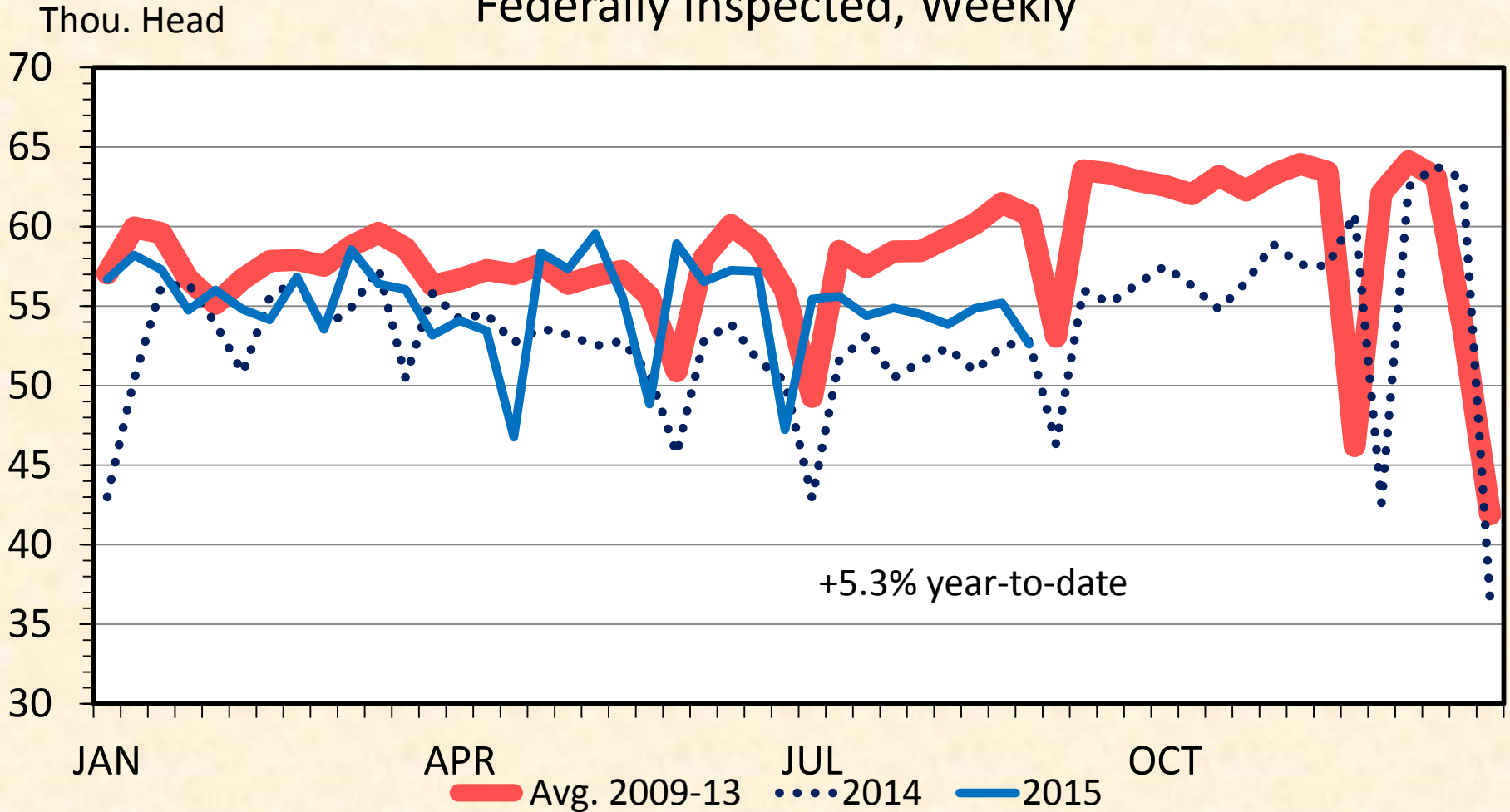
# BARROW AND GILT SLAUGHTER

Federally Inspected, Weekly



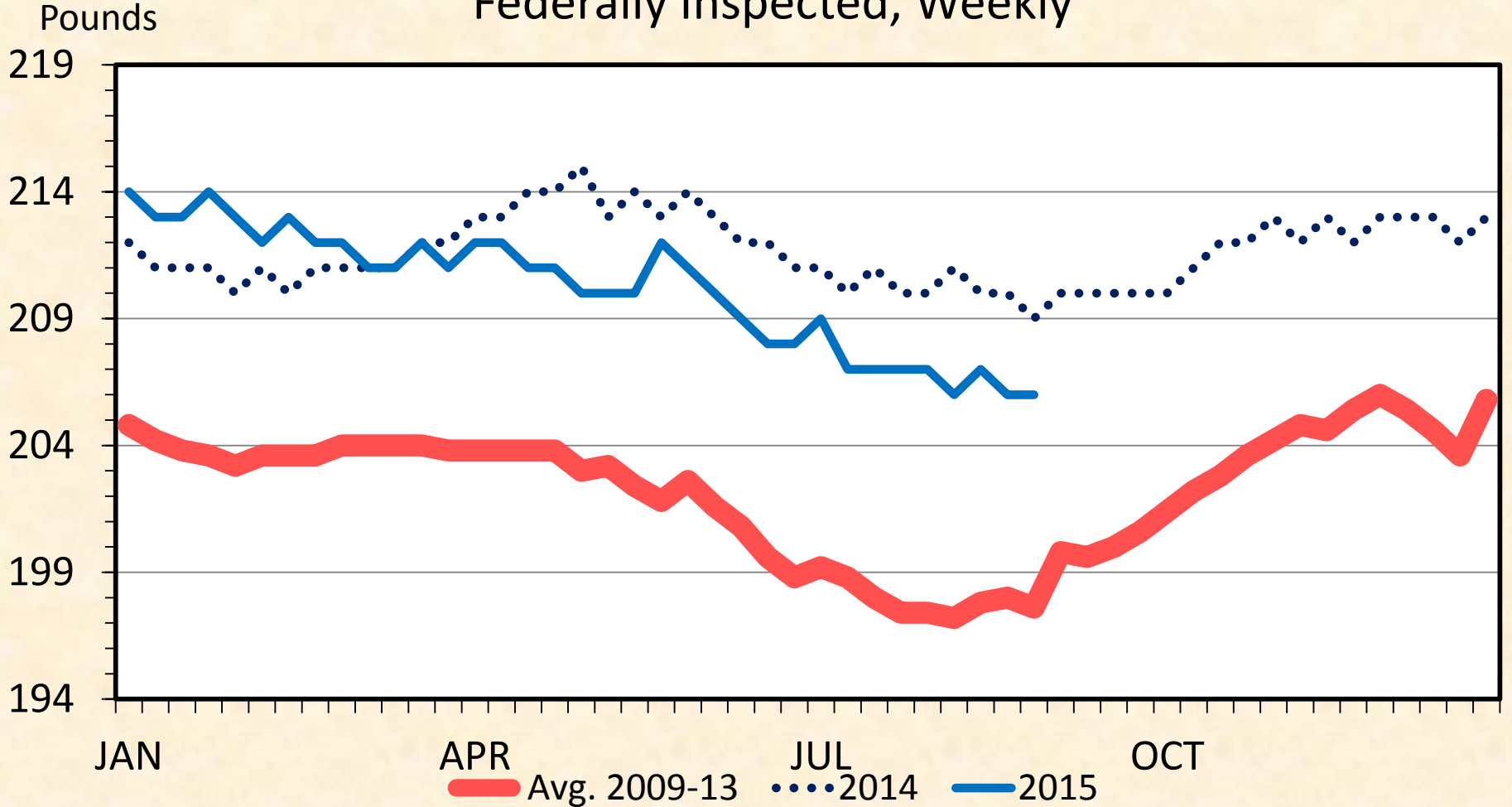
# SOW SLAUGHTER

## Federally Inspected, Weekly



# BARROW AND GILT DRESSED WEIGHT

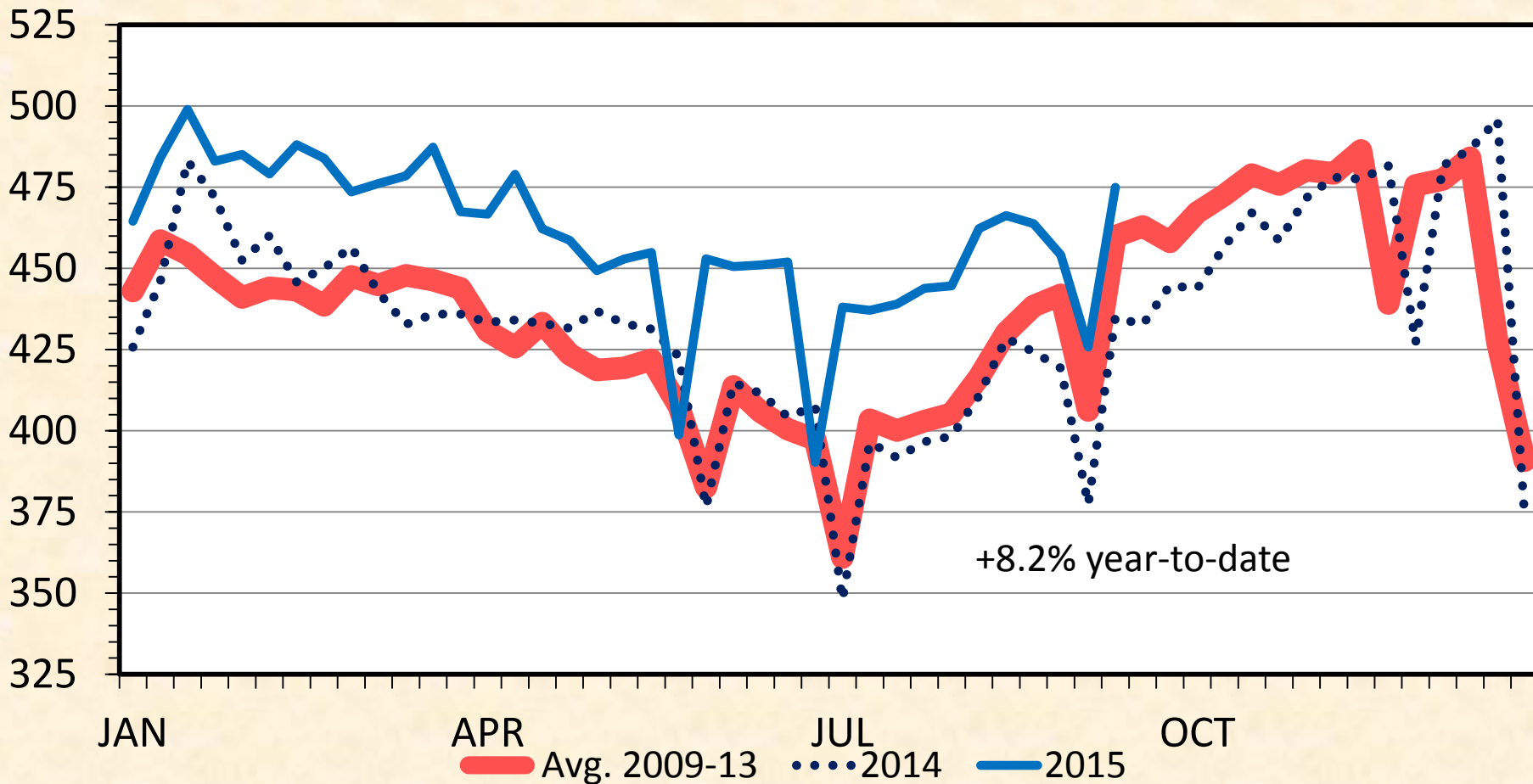
Federally Inspected, Weekly



# PORK PRODUCTION

## Federally Inspected, Weekly

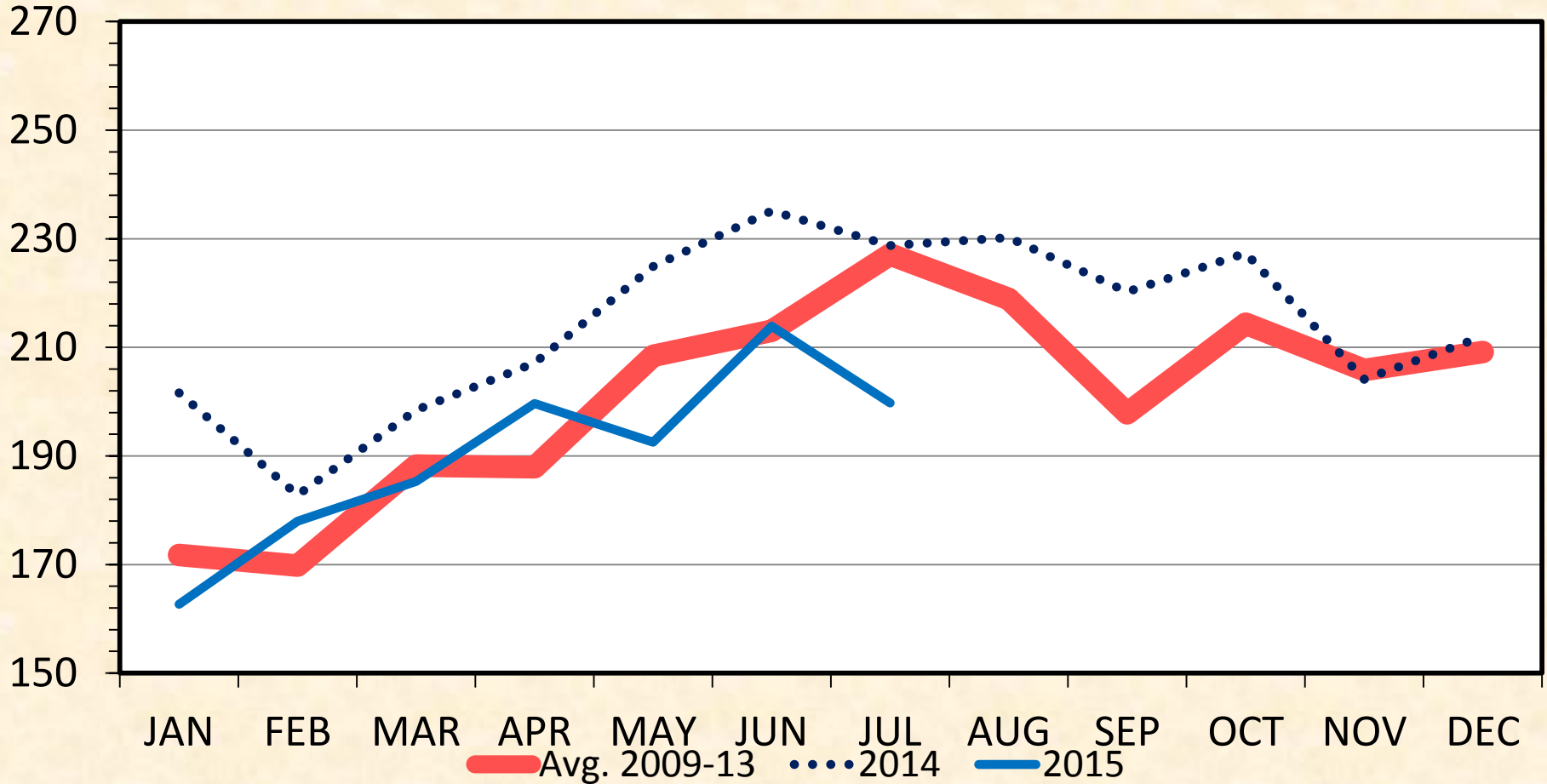
Mil. Pounds



# US BEEF AND VEAL EXPORTS

Carcass Weight, Monthly

Mil. Pounds



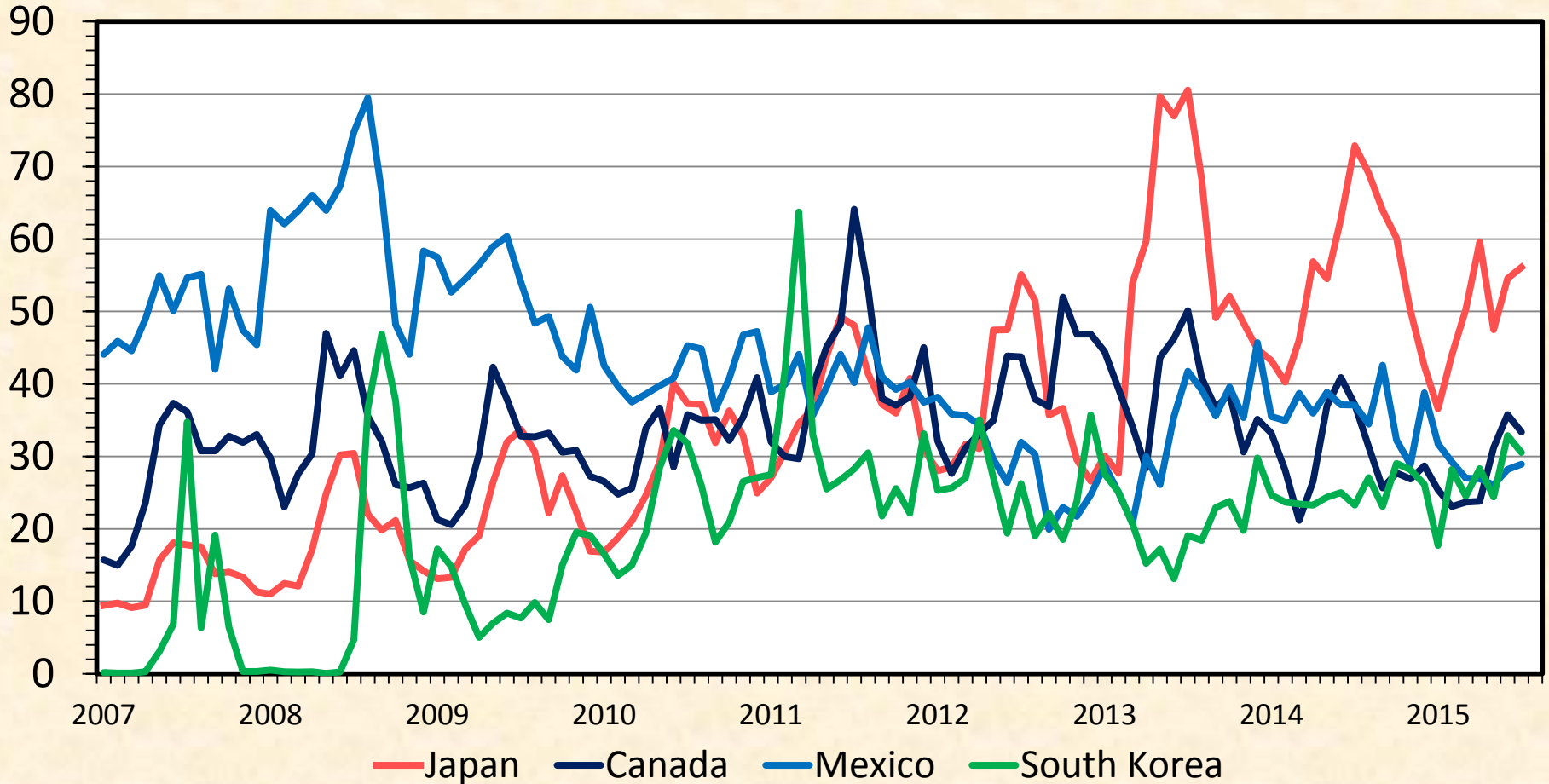
Data Source: USDA-ERS & USDA-FAS

Livestock Marketing Information Center

# US BEEF EXPORTS TO MAJOR MARKETS

Carcass Weight, Monthly

Mil. Pounds



Data Source: USDA-ERS & USDA-FAS

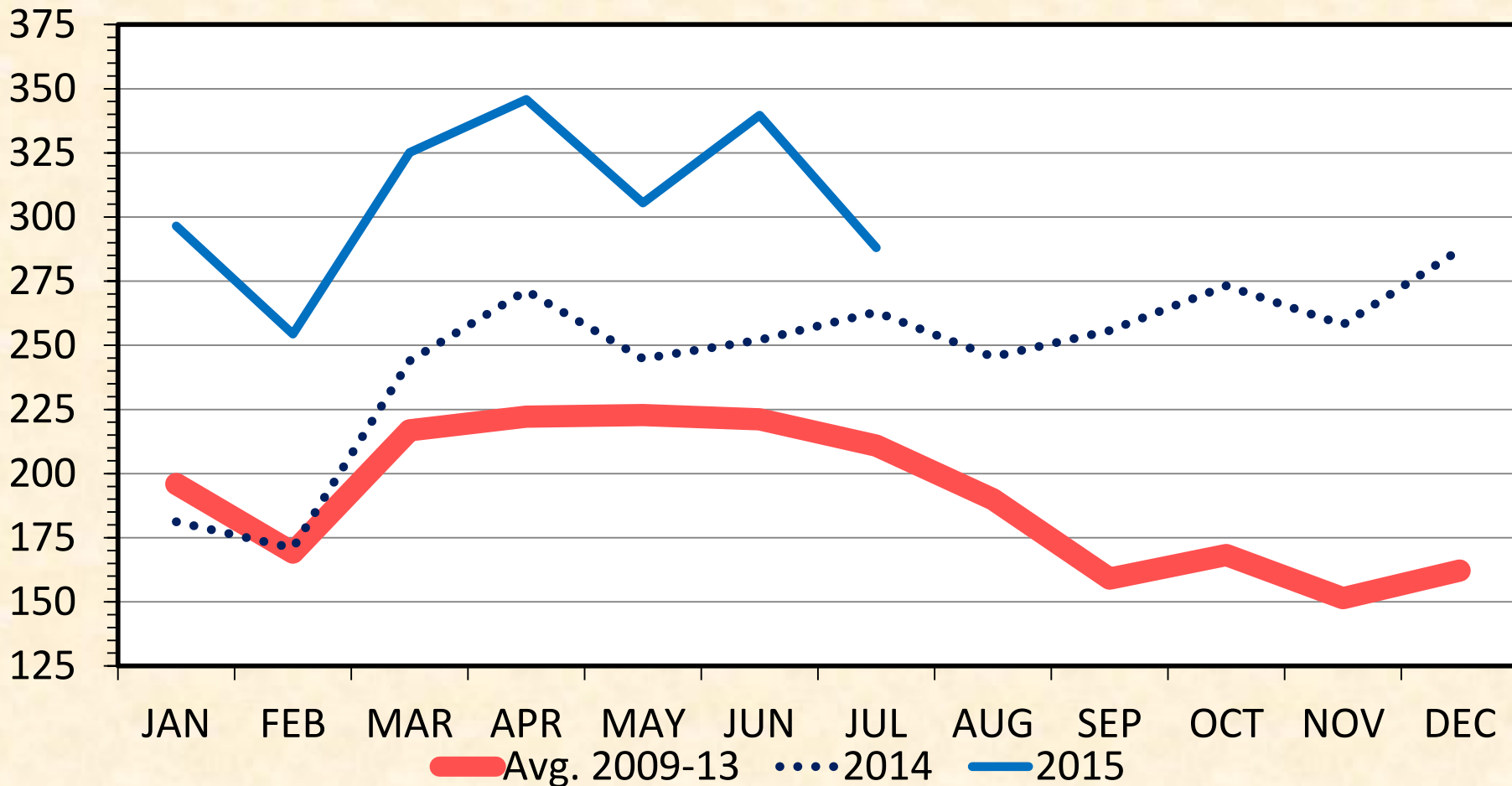
Livestock Marketing Information Center



# US BEEF AND VEAL IMPORTS

Carcass Weight, Monthly

Mil. Pounds



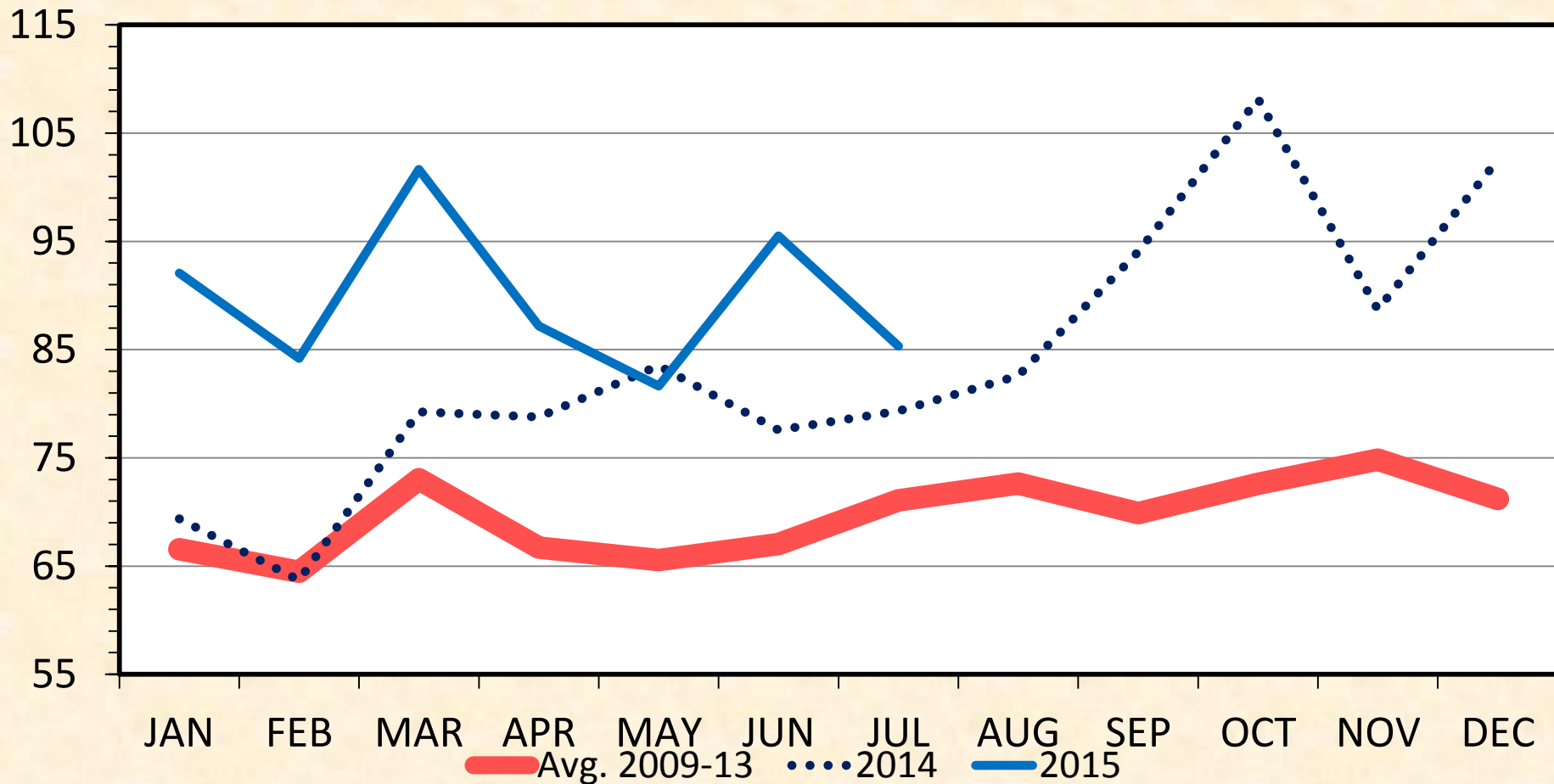
Data Source: USDA-ERS & USDA-FAS

Livestock Marketing Information Center

# US PORK IMPORTS

## Carcass Weight, Monthly

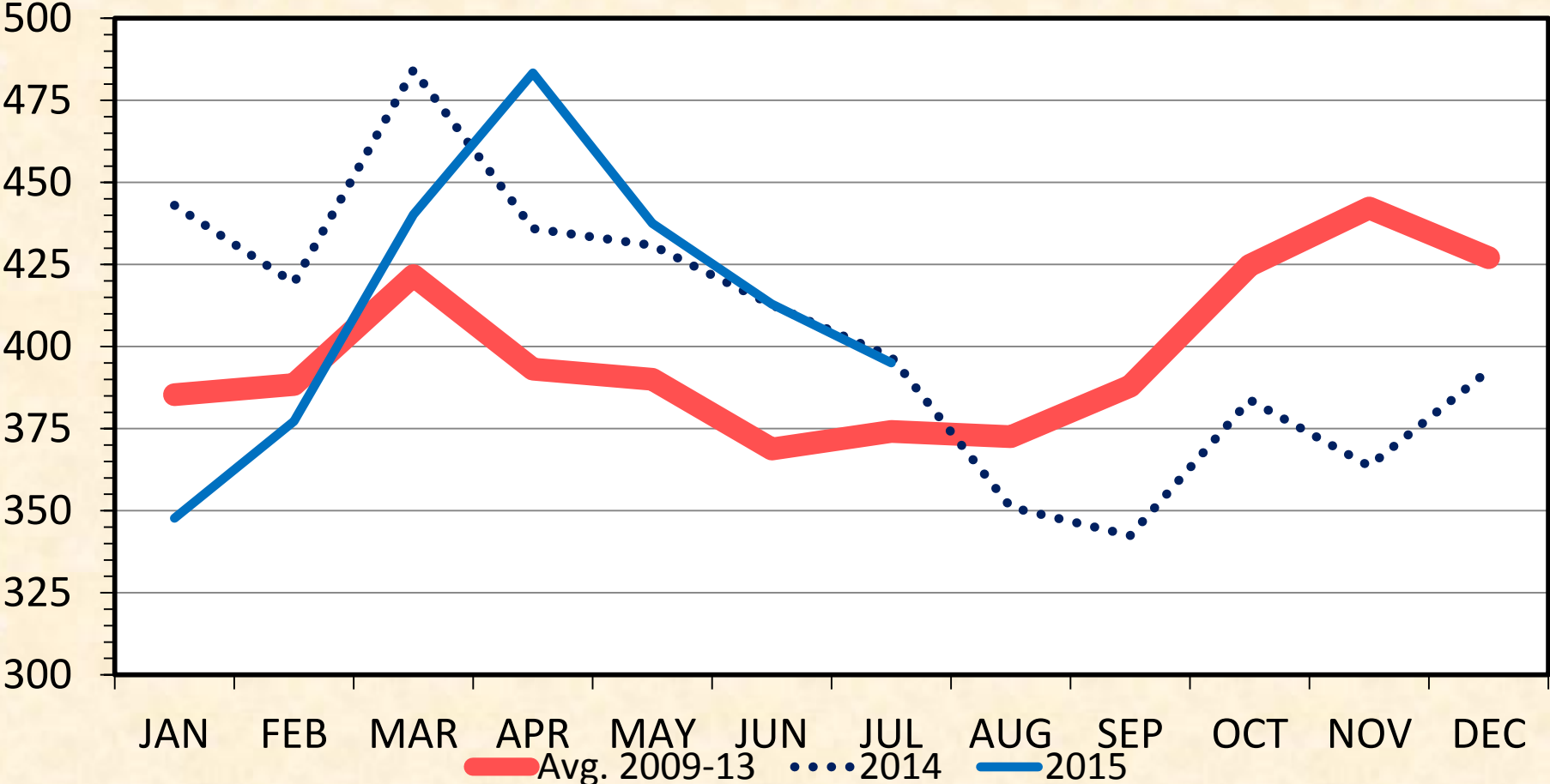
Mil. Pounds



# US PORK EXPORTS

## Carcass Weight, Monthly

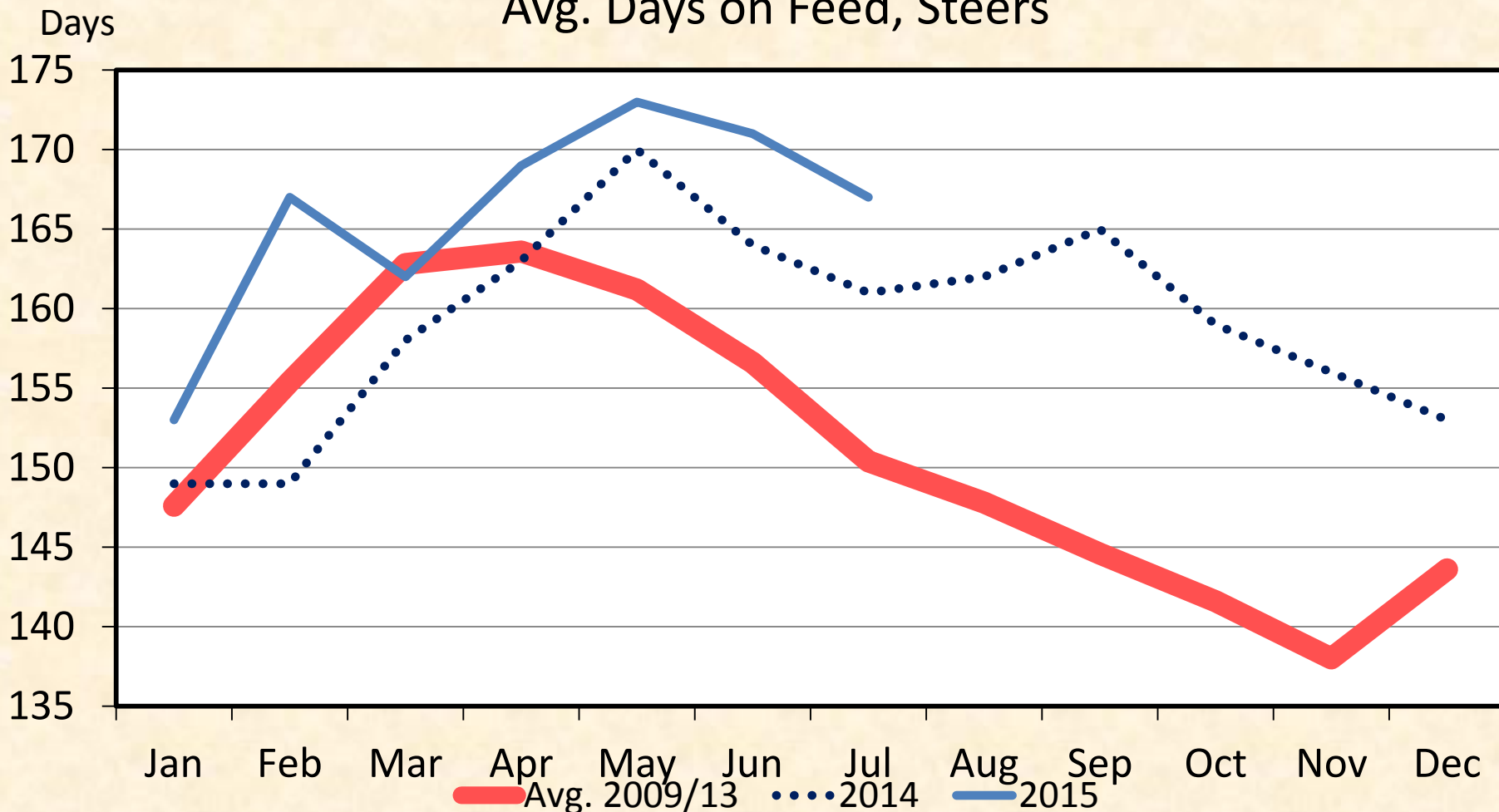
Mil. Pounds



Data Source: USDA-ERS & USDA-FAS  
Livestock Marketing Information Center

# KANSAS FEEDLOT CLOSEOUTS

## Avg. Days on Feed, Steers

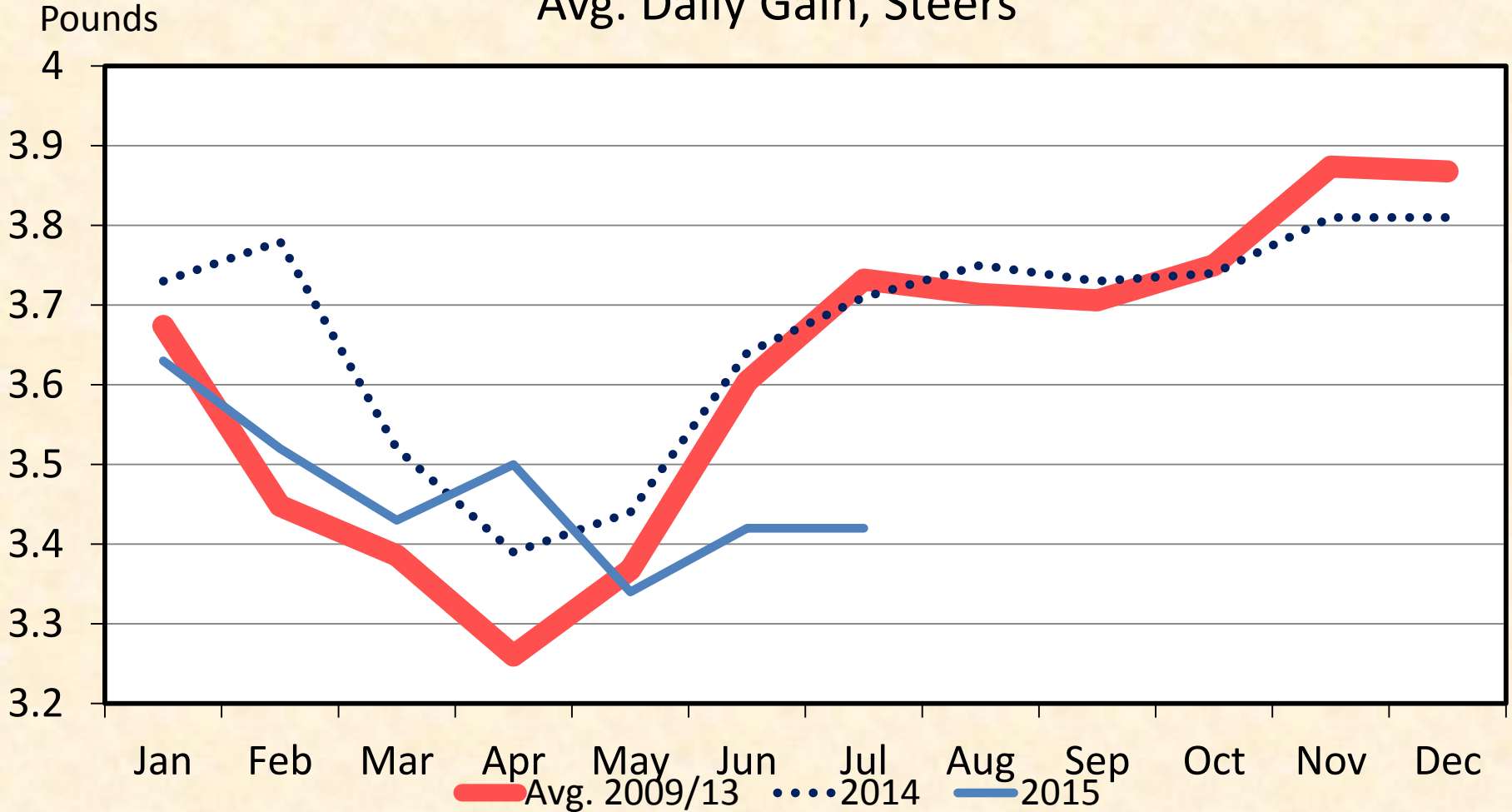


Data Source: KSU Focus on Feedlots, Compiled by LMIC

Livestock Marketing Information Center

# KANSAS FEEDLOT CLOSEOUTS

Avg. Daily Gain, Steers



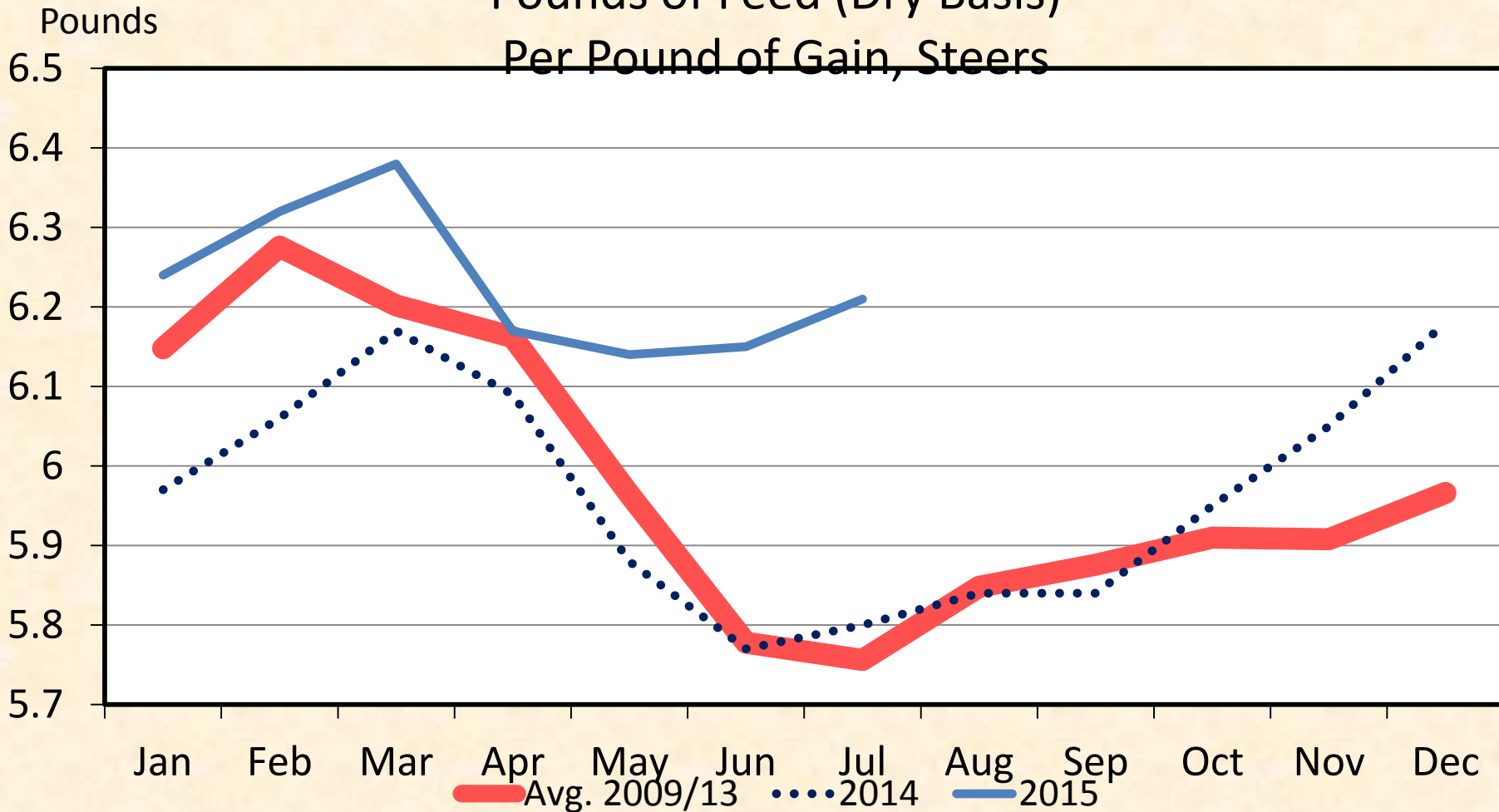
Data Source: KSU Focus on Feedlots, Compiled by LMIC

Livestock Marketing Information Center

# KANSAS FEEDLOT CLOSEOUTS

Pounds of Feed (Dry Basis)

Per Pound of Gain, Steers

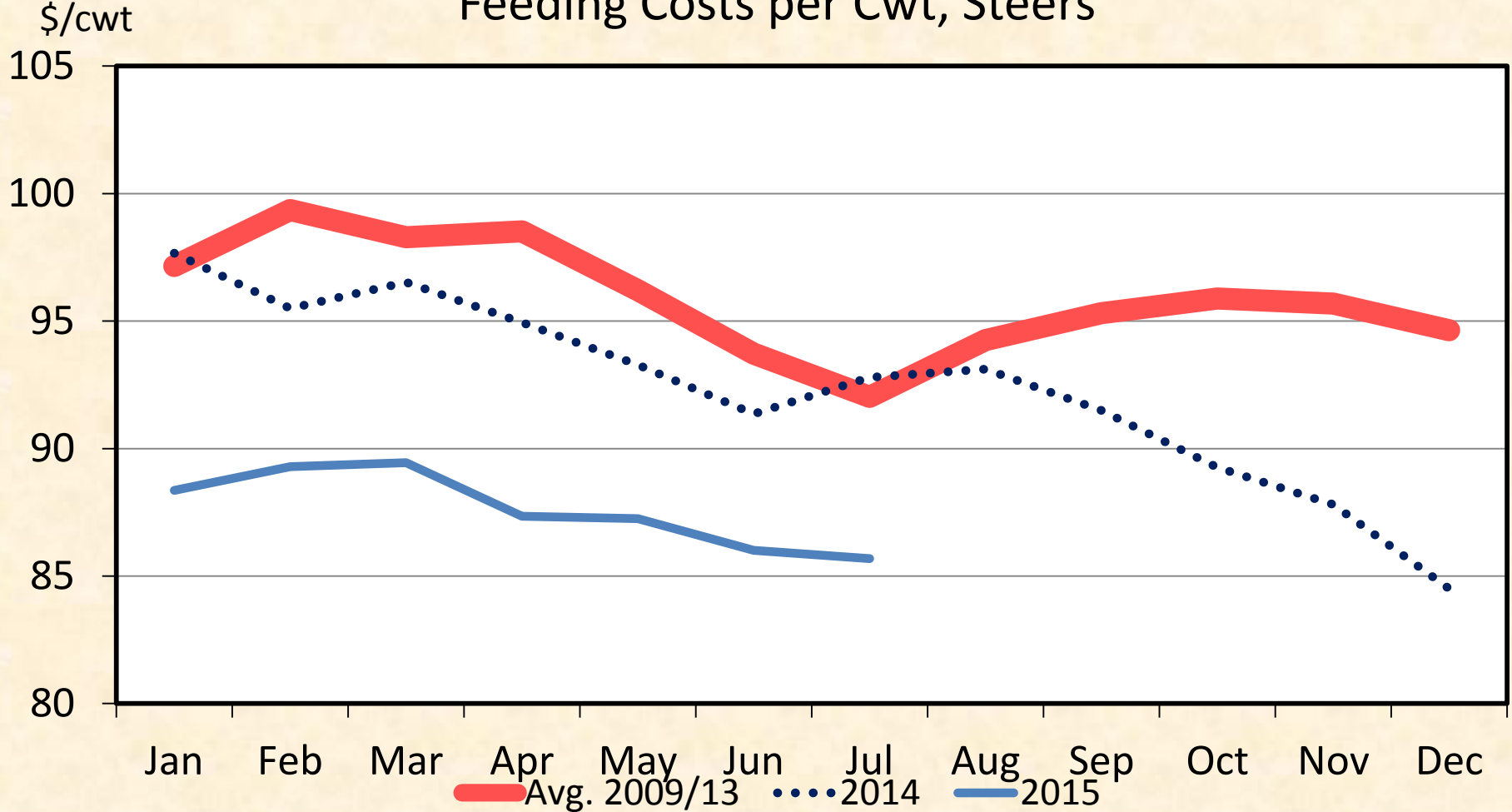


Data Source: KSU Focus on Feedlots, Compiled by LMIC

Livestock Marketing Information Center

# KANSAS FEEDLOT CLOSEOUTS

## Feeding Costs per Cwt, Steers

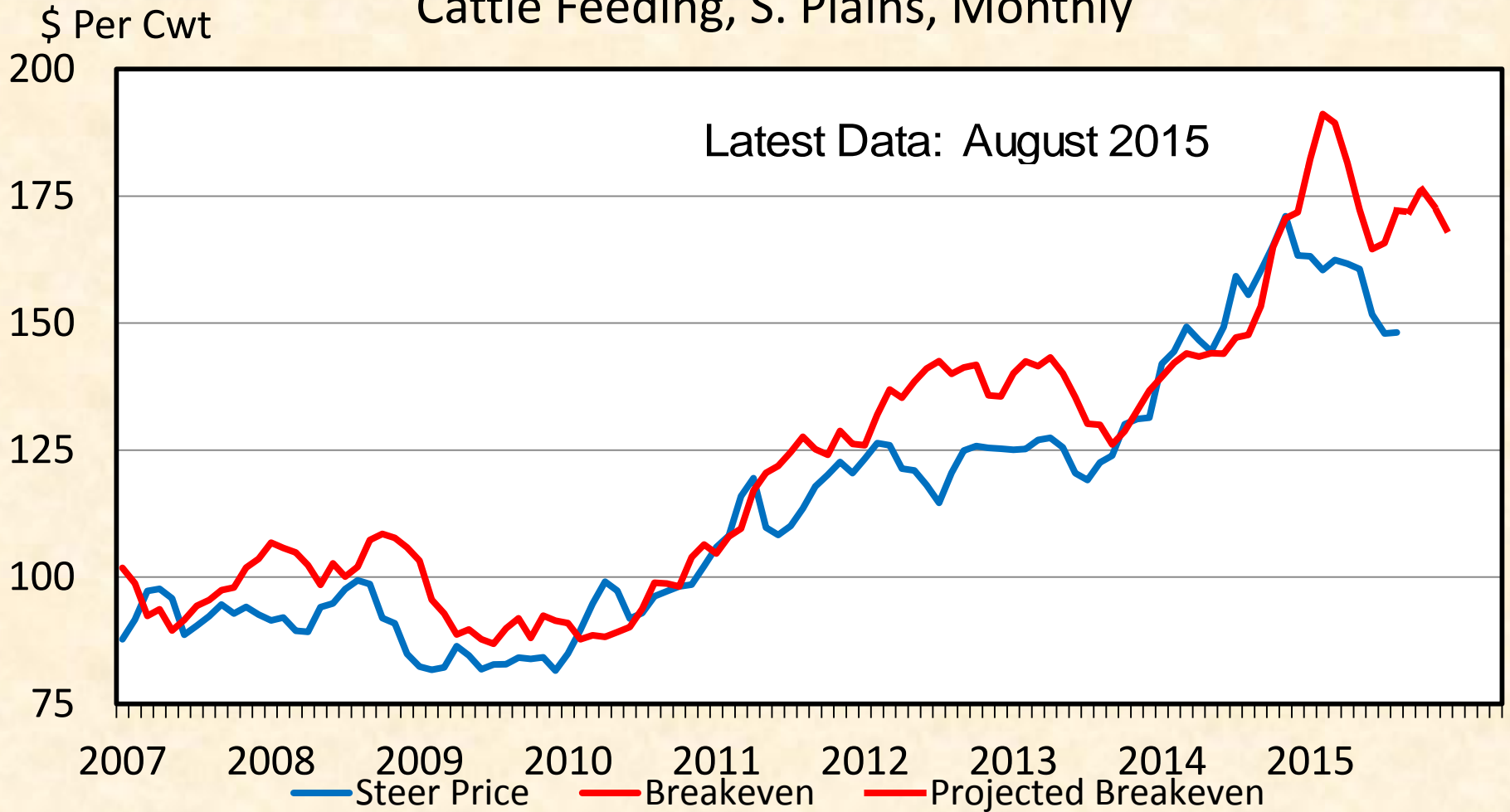


Data Source: KSU Focus on Feedlots, Compiled by LMIC

Livestock Marketing Information Center

# CHOICE STEER PRICE vs BREAKEVEN

Cattle Feeding, S. Plains, Monthly



Data Source: USDA-AMS & USDA-NASS, Compiled & Analysis by LMIC

Livestock Marketing Information Center

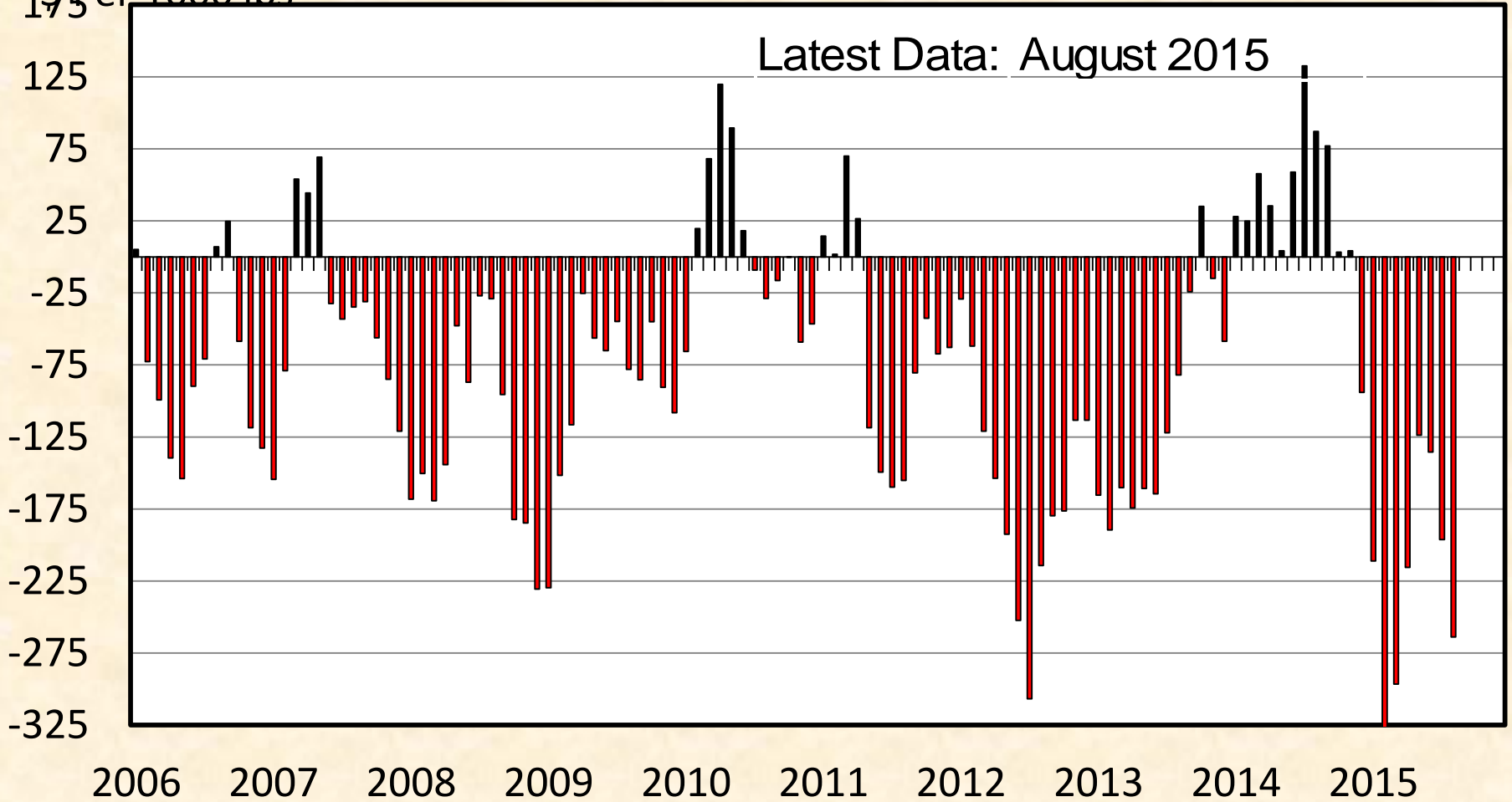


# AVERAGE RETURNS TO CATTLE FEEDERS

Feeding 725 Lb. Steers. S. Plains, Monthly

\$ Per 1000 lbs

Latest Data: August 2015

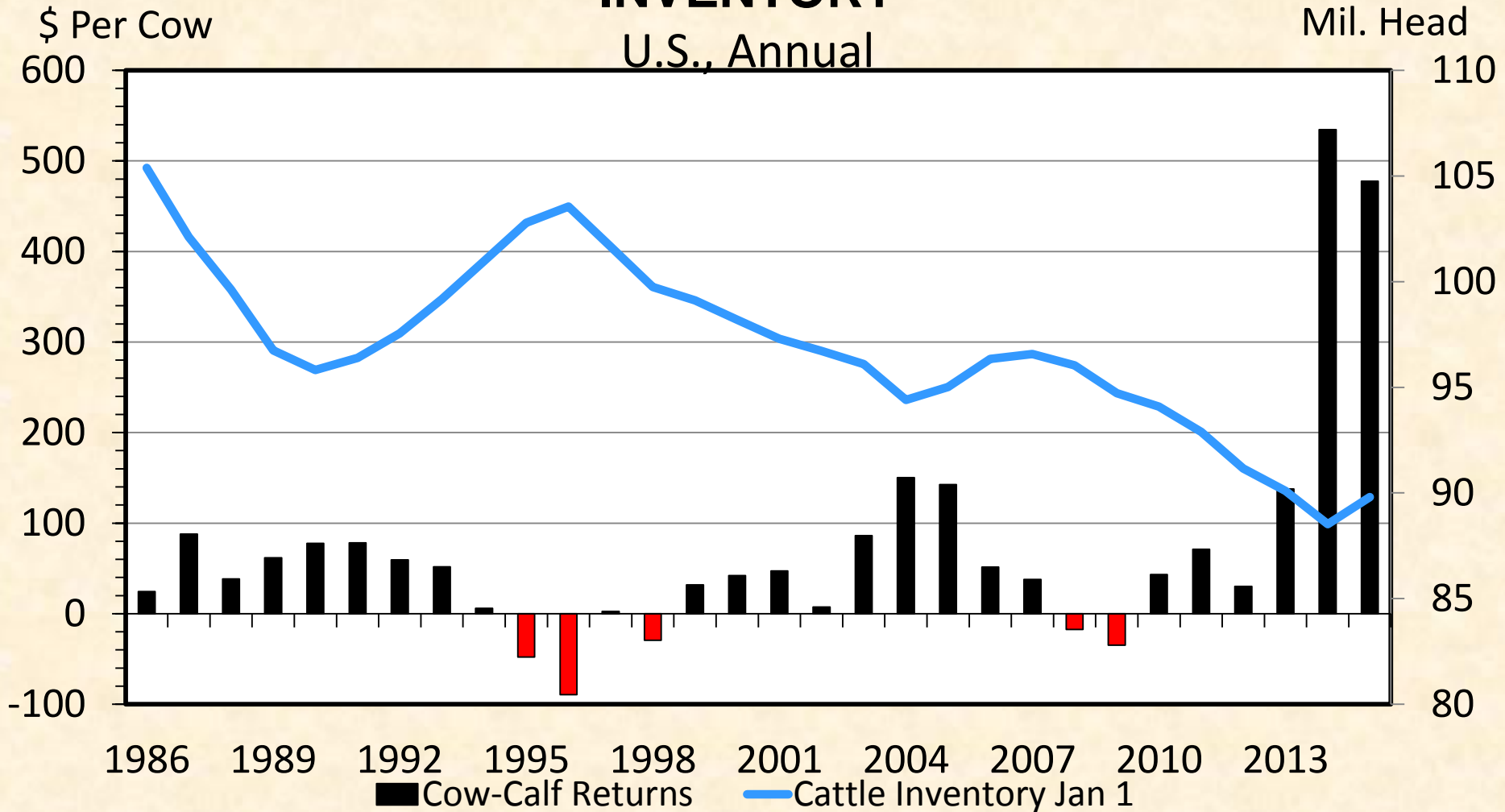


Data Source: USDA-AMS & USDA-NASS, Compiled & Analysis by LMIC

Livestock Marketing Information Center

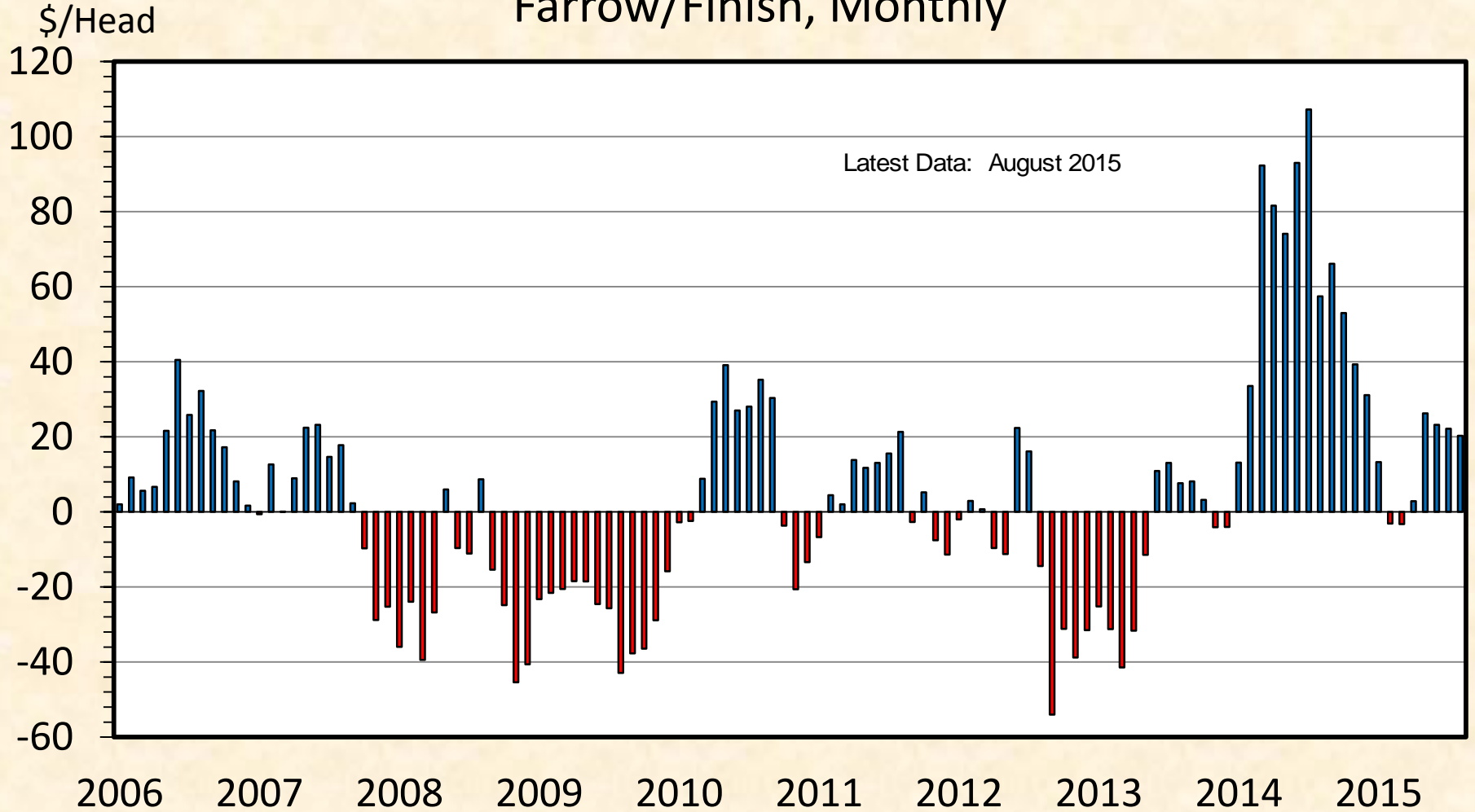
# COW-CALF RETURNS AND CATTLE INVENTORY

U.S., Annual



# IOWA MARKET HOG PROFIT

## Farrow/Finish, Monthly



Data Source: Iowa State University

Livestock Marketing Information Center

# Take Home Message

- Calf prices will remain strong the next couple of years
- Prices will be pressured due to lower pork and poultry prices
- Export market will remain key
- Herd rebuilding will continue

# Take Home Message

- Increased production to take advantage of high beef prices
- Low feed costs will support feeder pig prices
- Will garner larger share of the disposable income while beef prices high
- Export market is still key

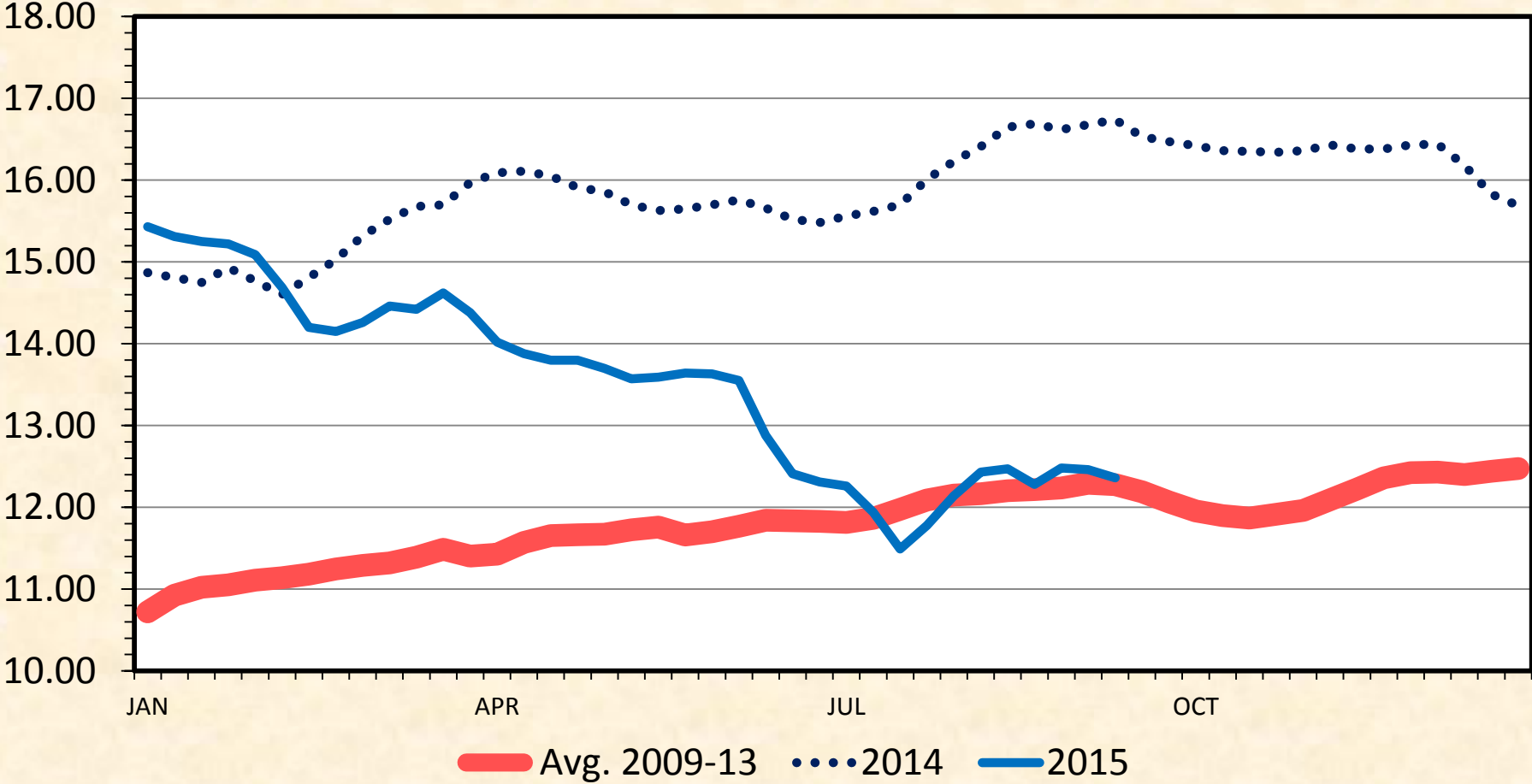
# May your boots still shine!



# STEER HIDE AND OFFAL VALUE

Live Animal Basis, Weekly

\$ Per Cwt.



Data Source: USDA-AMS

Livestock Marketing Information Center