

# Beef and Pork Economic Climate and Outlook

Andrew P. Griffith

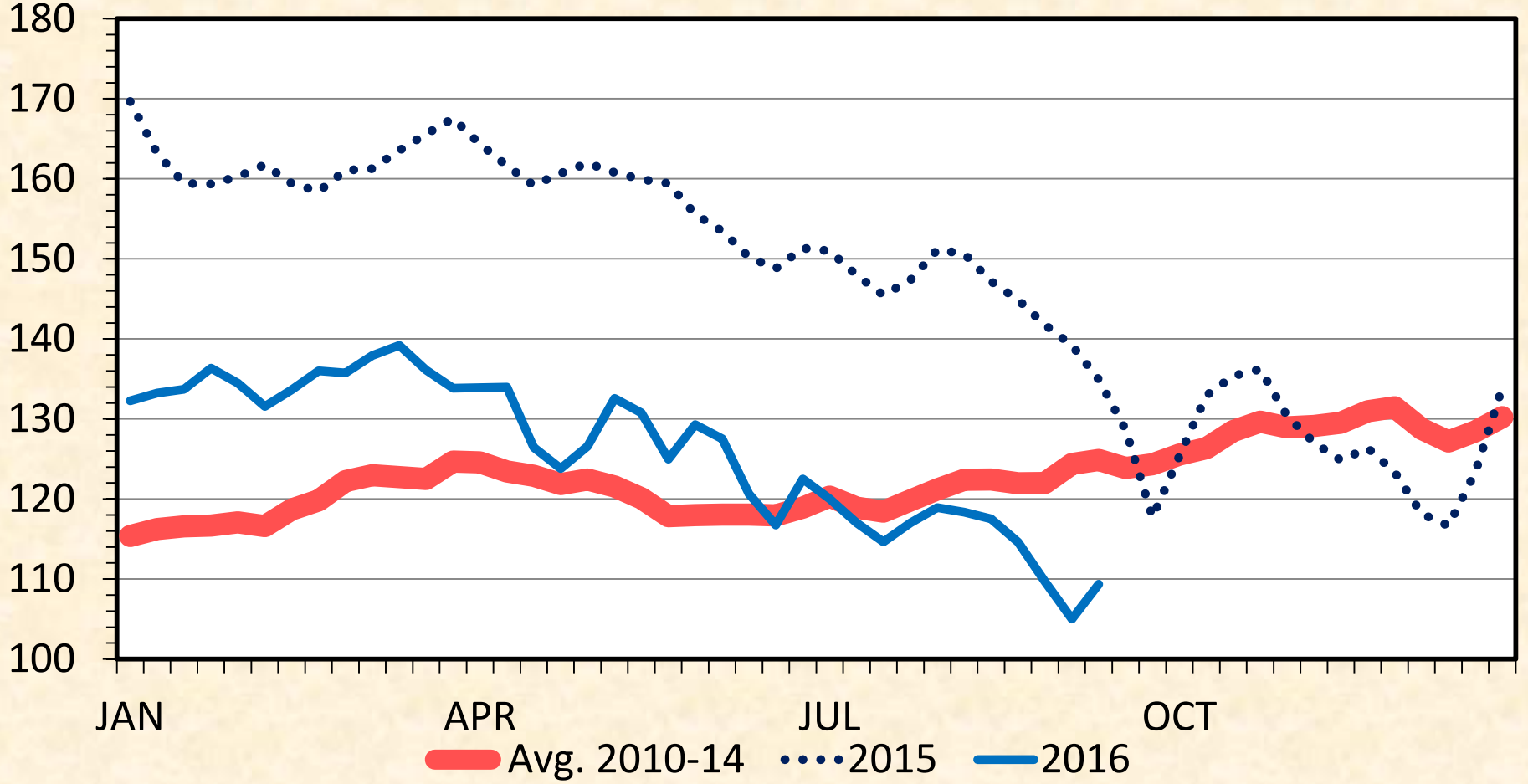
Assistant Professor in Extension

Livestock Economist

# SLAUGHTER STEER PRICES

5 Market Weighted Average, Weekly

\$ Per Cwt.



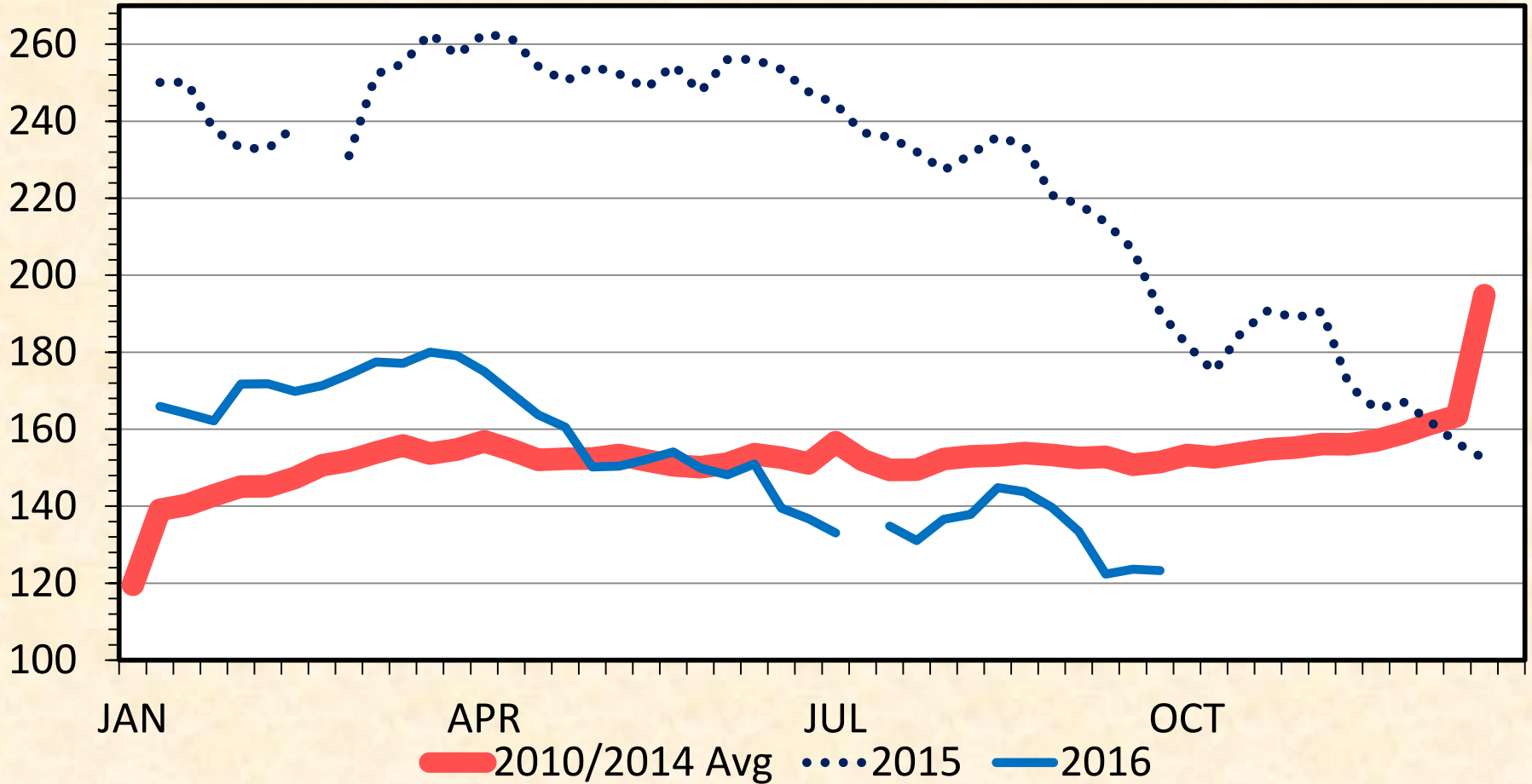
Data Source: USDA-AMS

Livestock Marketing Information Center

# TENNESSEE 500-600 LB. STEER PRICES

2015, 2016 and 5-year average, Weekly

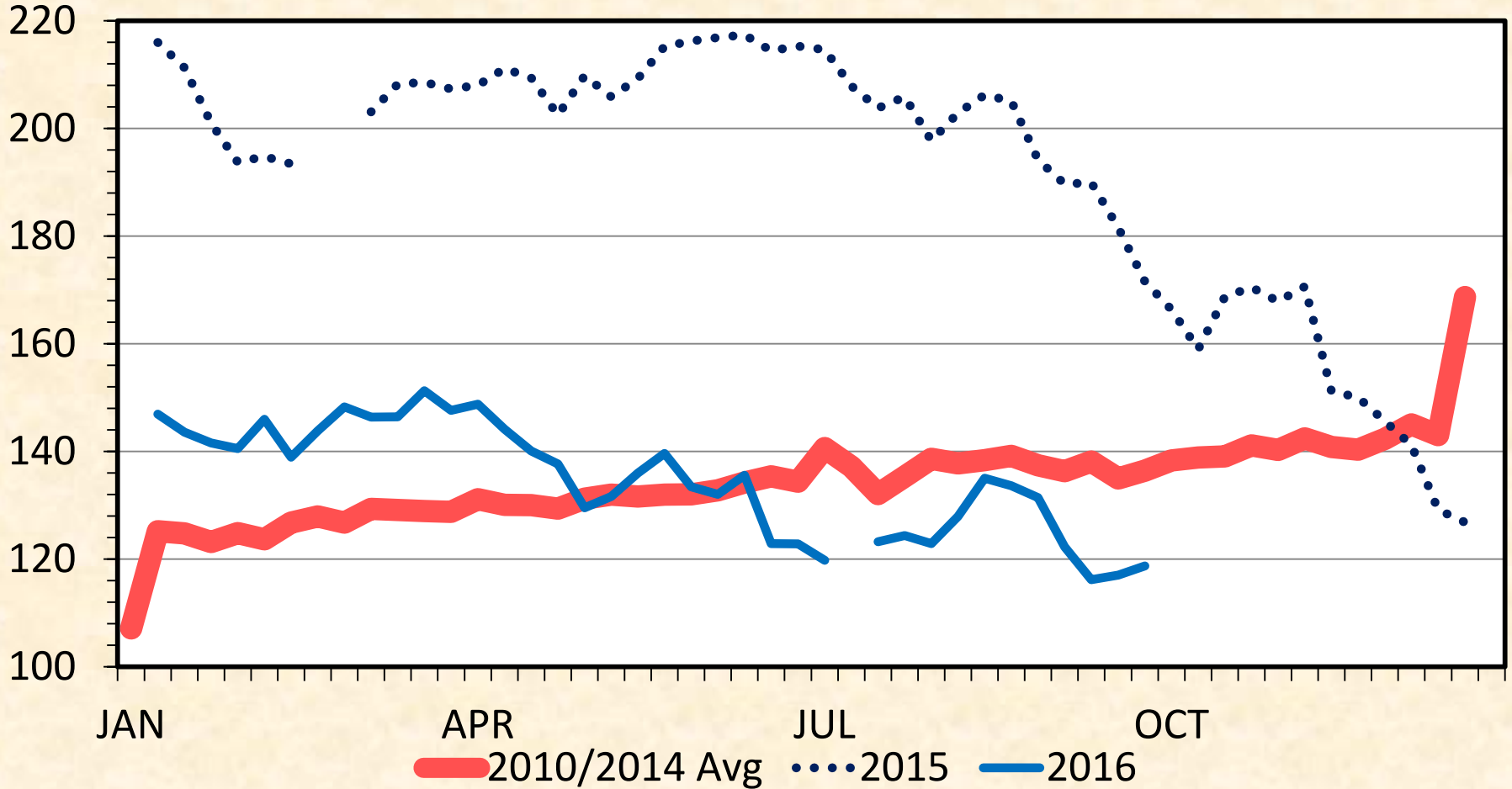
\$ Per Cwt.



# TENNESSEE 700-800 LB. STEER PRICES

2015, 2016 and 5-year average, Weekly

\$ Per Cwt.

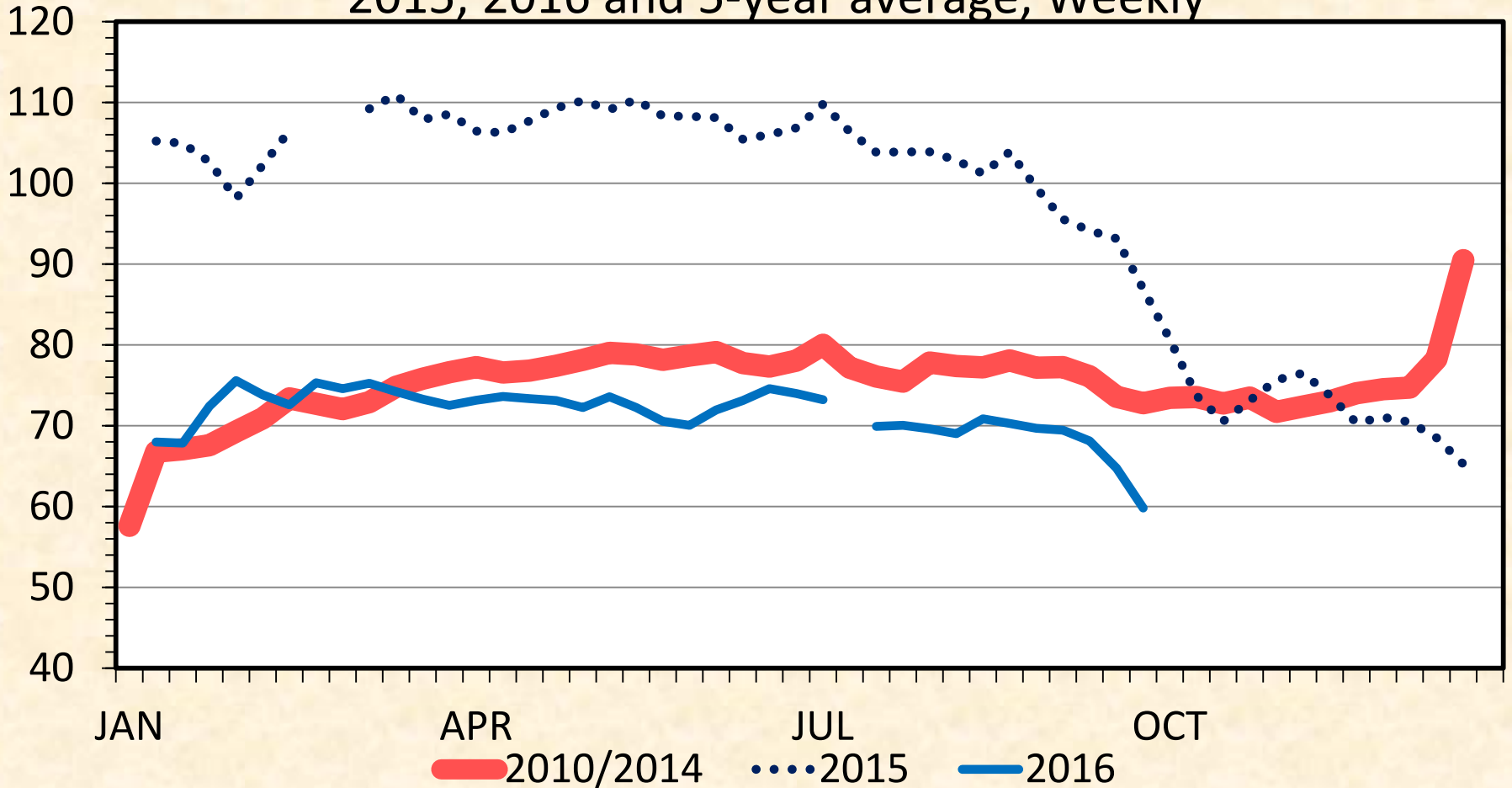


# TENNESSEE SLAUGHTER COW PRICES

Breakers 75-80%

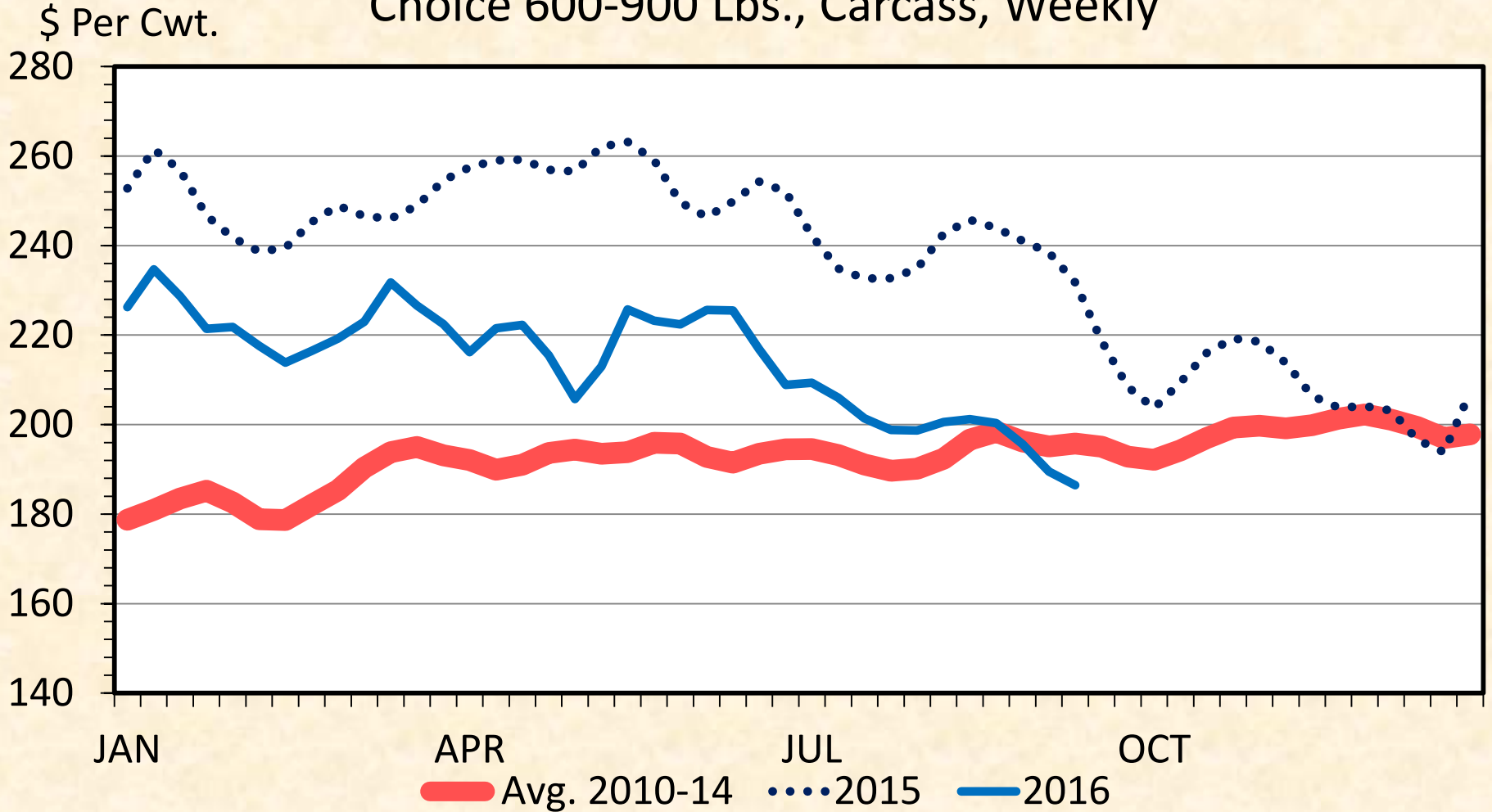
2015, 2016 and 5-year average, Weekly

\$ Per Cwt.



# BOXED BEEF CUTOUT VALUE

## Choice 600-900 Lbs., Carcass, Weekly



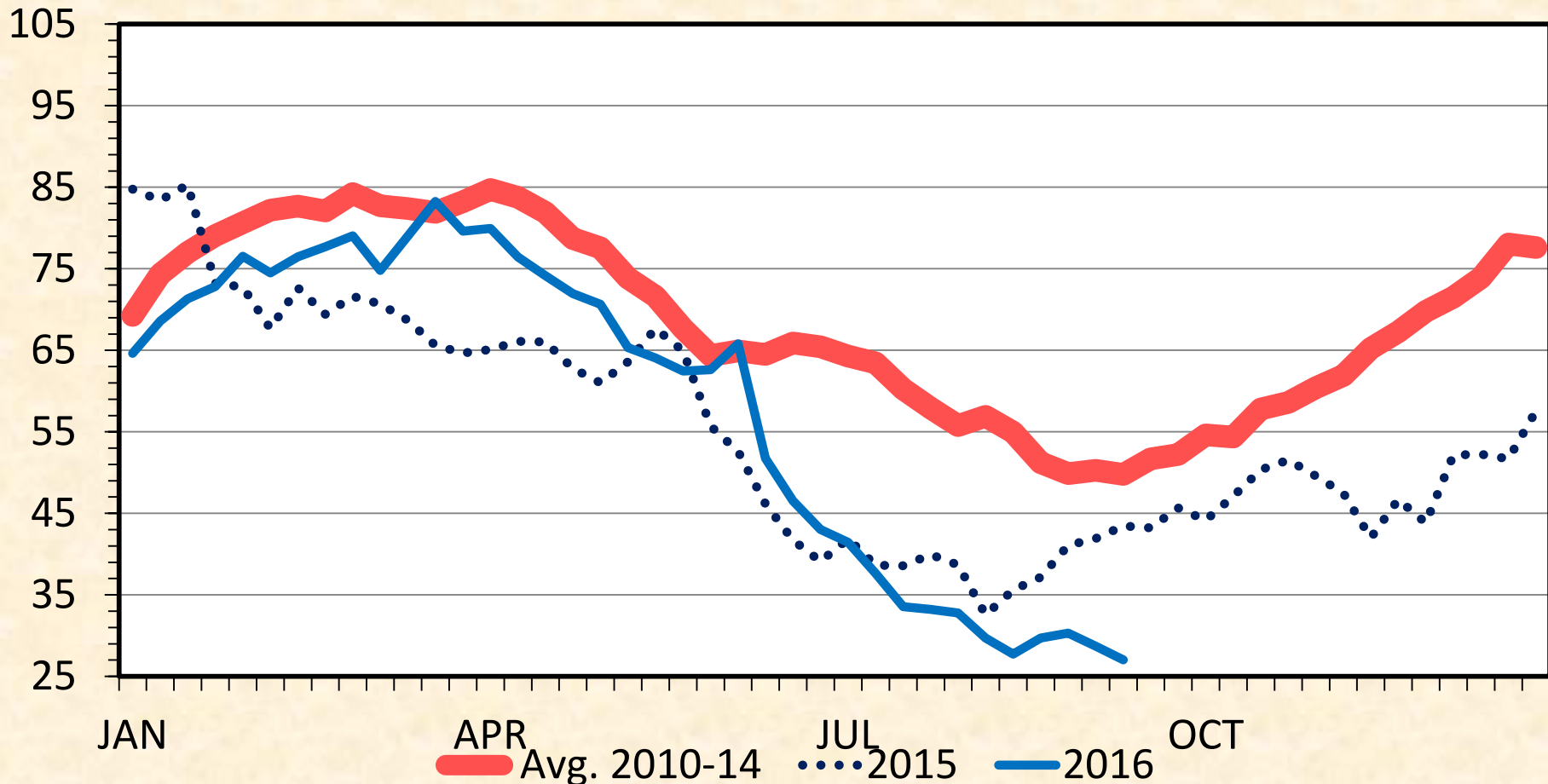
Data Source: USDA-AMS

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# FEEDER PIG PRICES

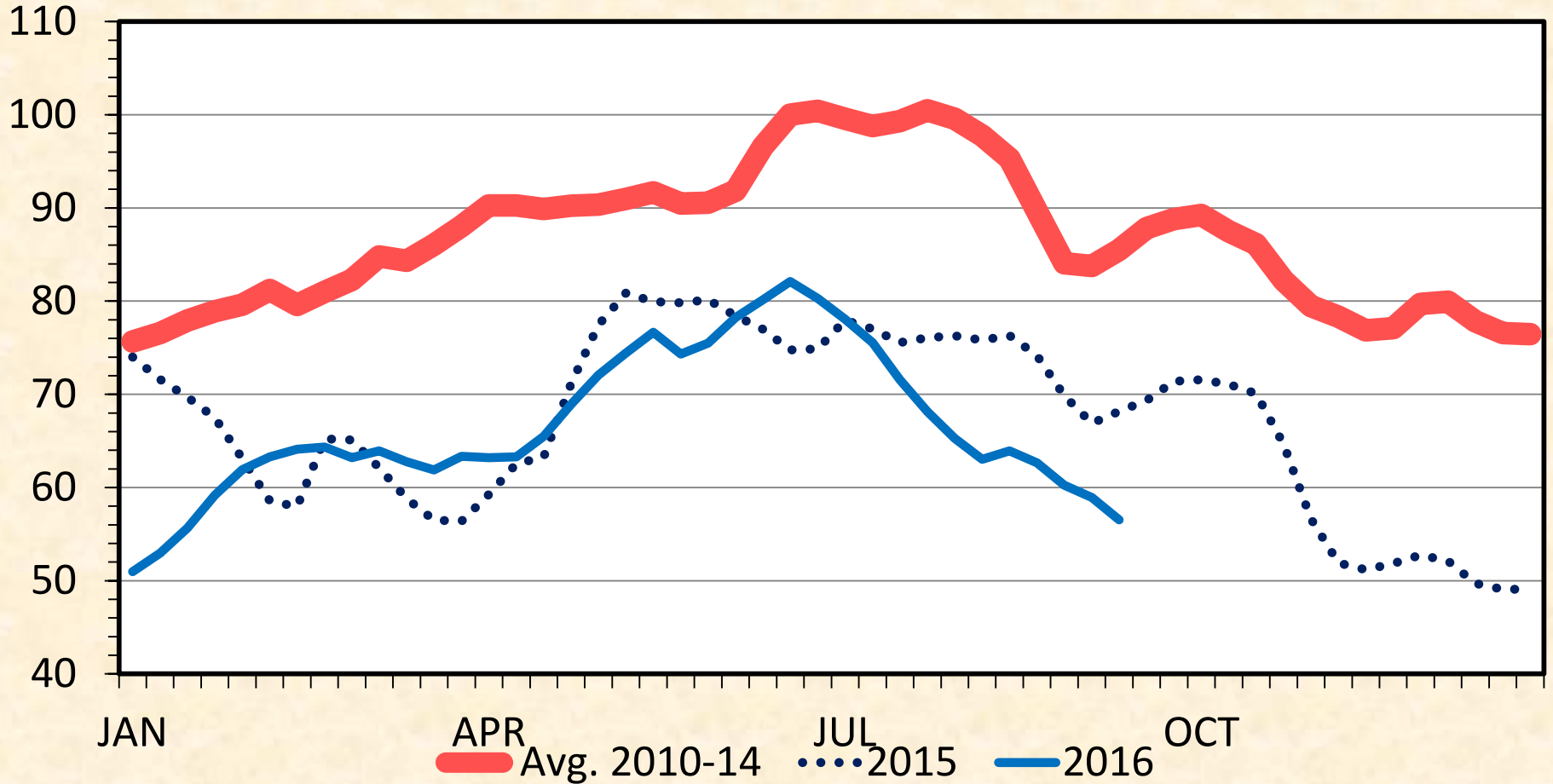
## 40 Pounds, Weekly

\$ Per Head



# BARROW AND GILT PRICES

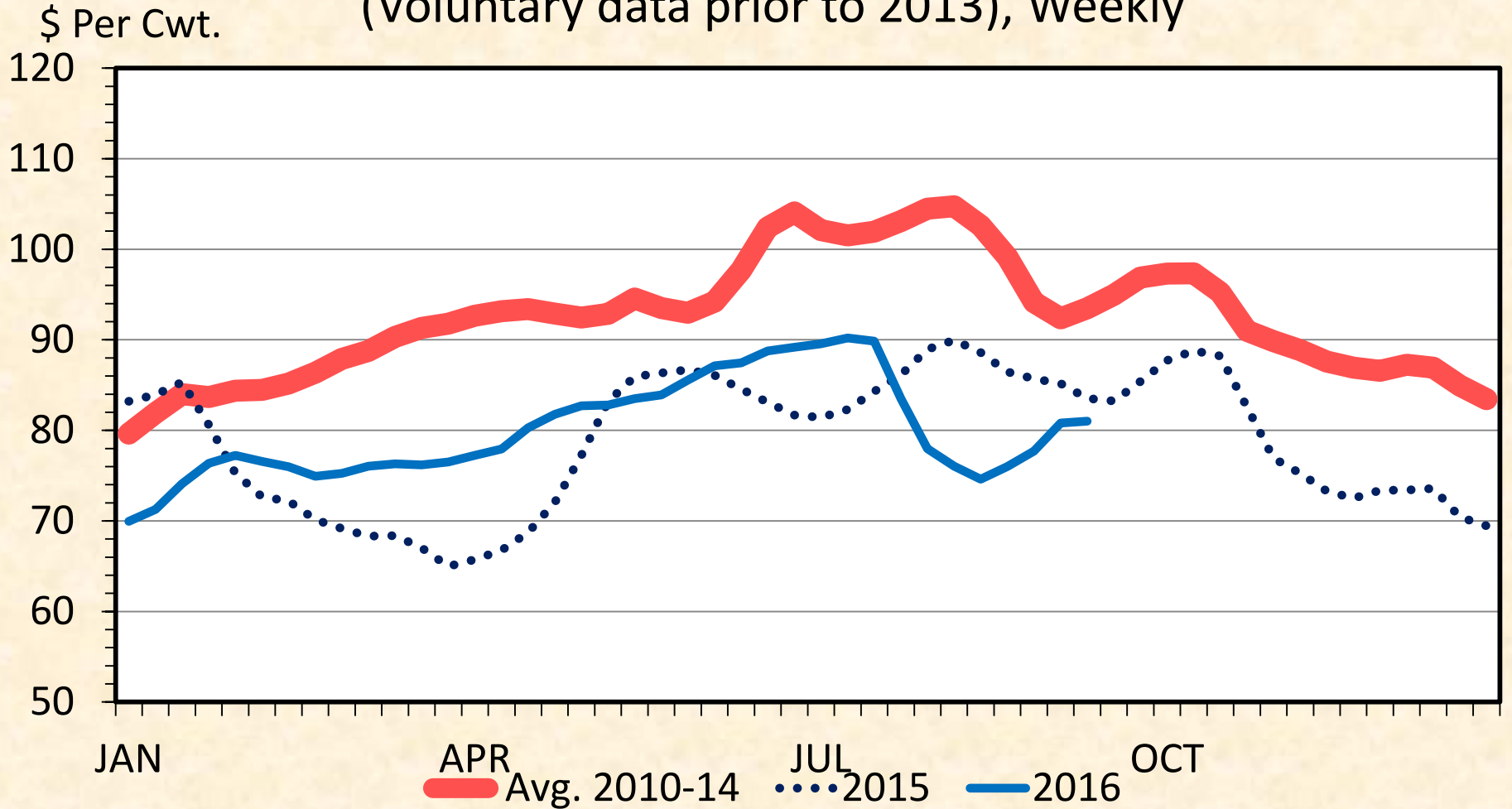
\$ Per Cwt. Iowa – So. Minnesota, Carcass Base Price, Weekly





# PORK CUTOUT VALUE

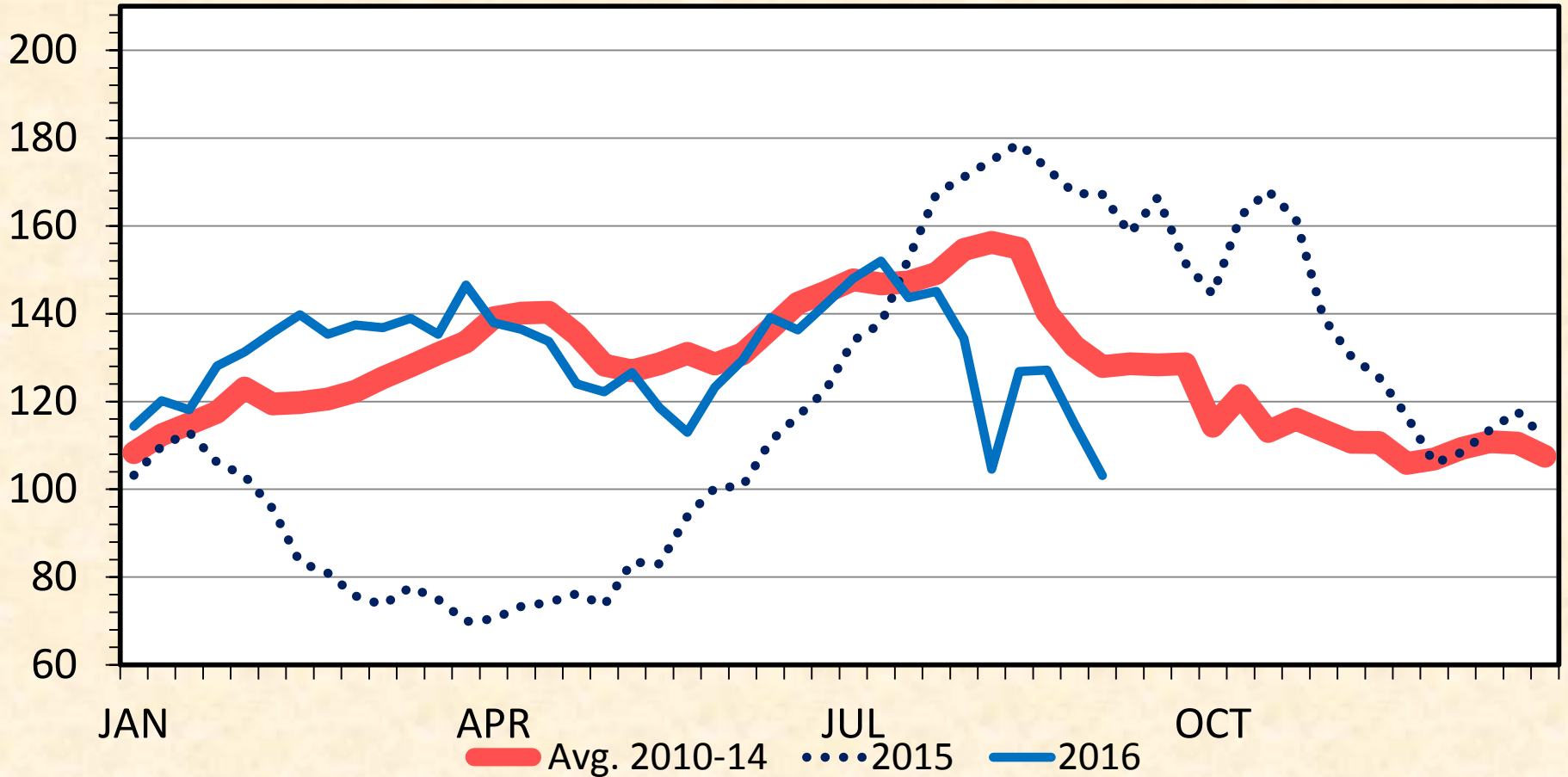
(Voluntary data prior to 2013), Weekly



# WHOLESALE PORK BELLY PRICES

Skin-on, 14-16 Pounds, Weekly

\$ Per Cwt.

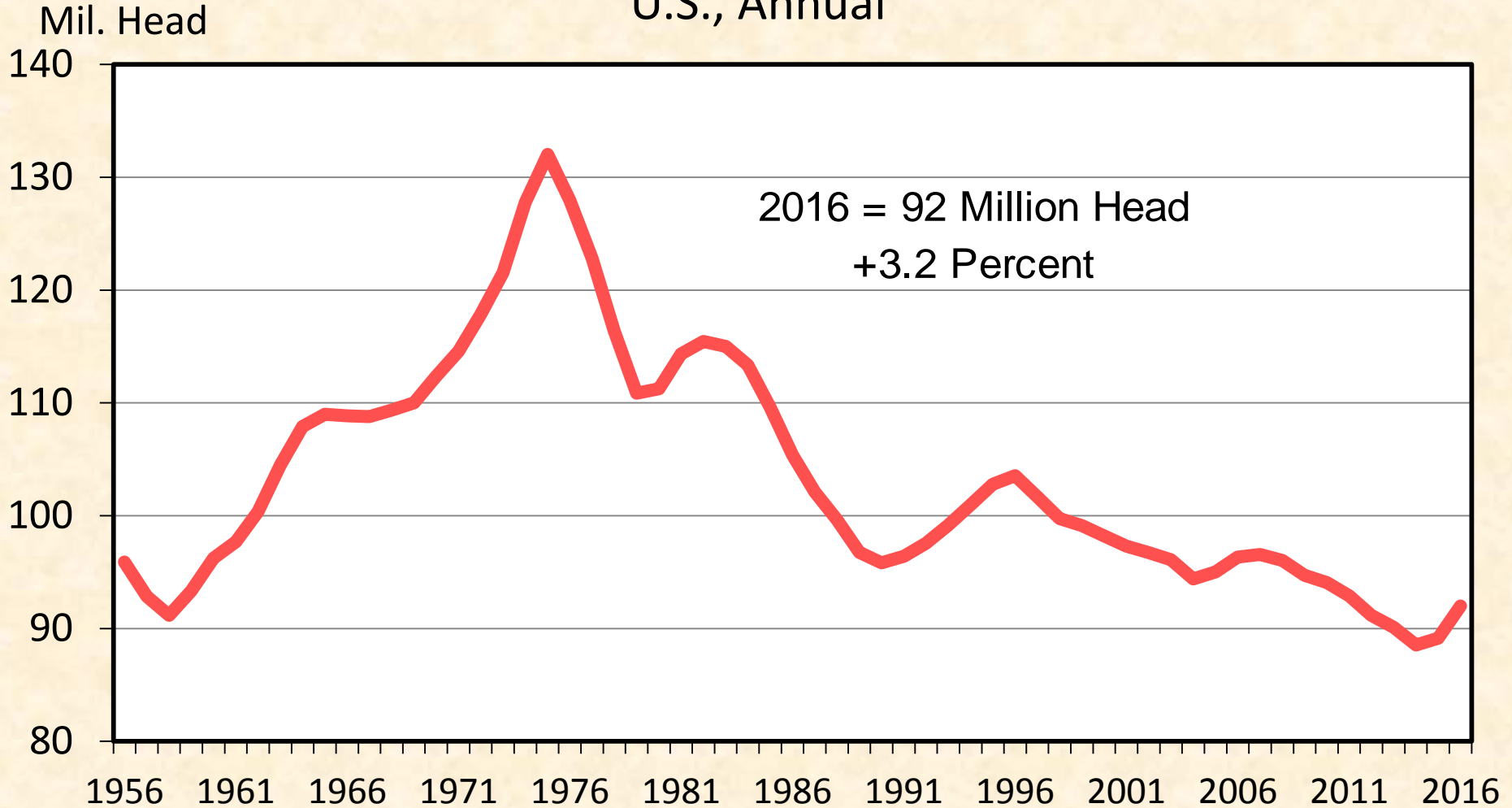


Data Source: USDA-AMS

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# JANUARY 1 TOTAL CATTLE INVENTORY

U.S., Annual



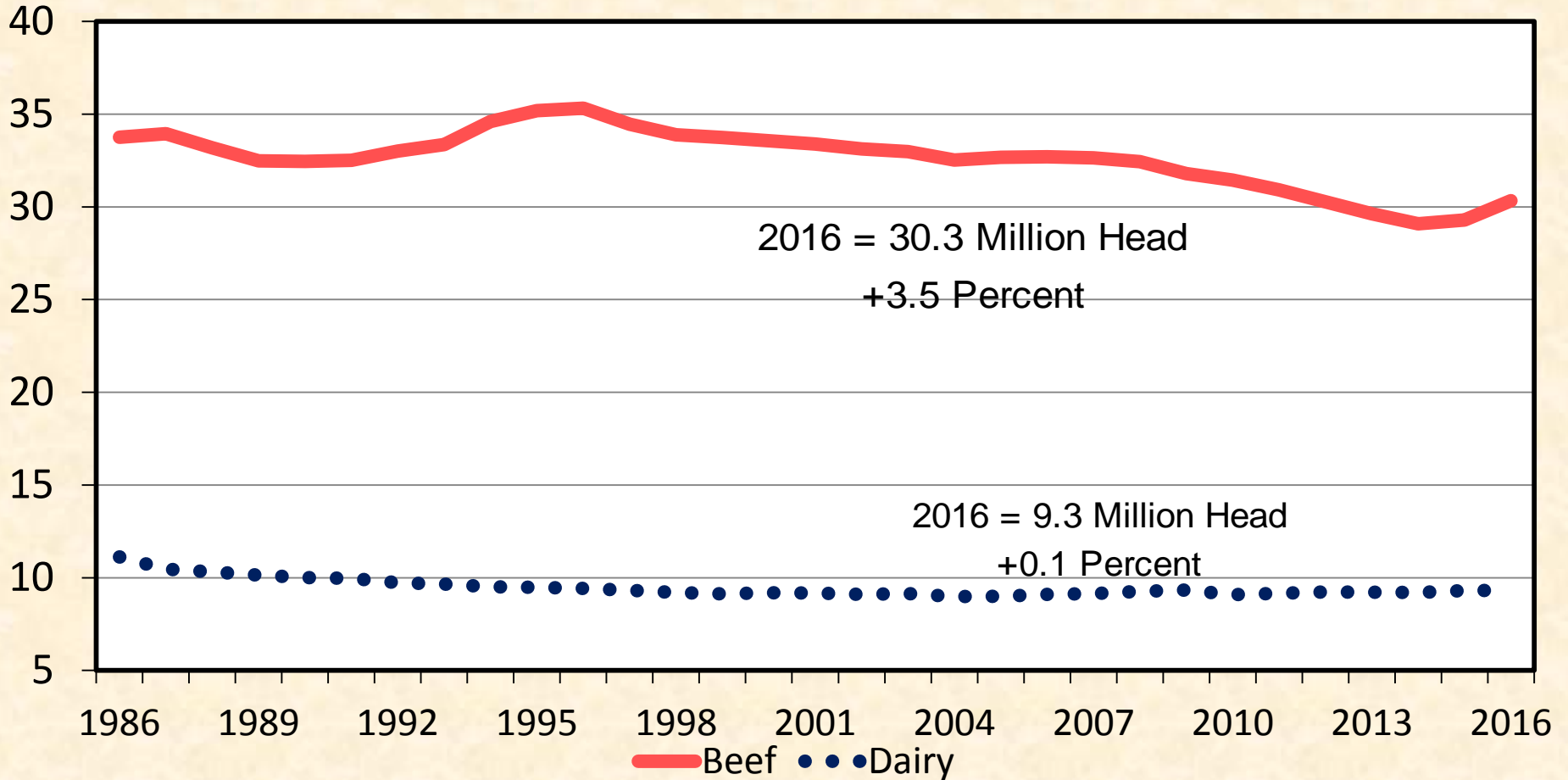
Data Source: USDA-NASS

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# JANUARY 1 COW INVENTORY

U.S., Annual

Mil. Head

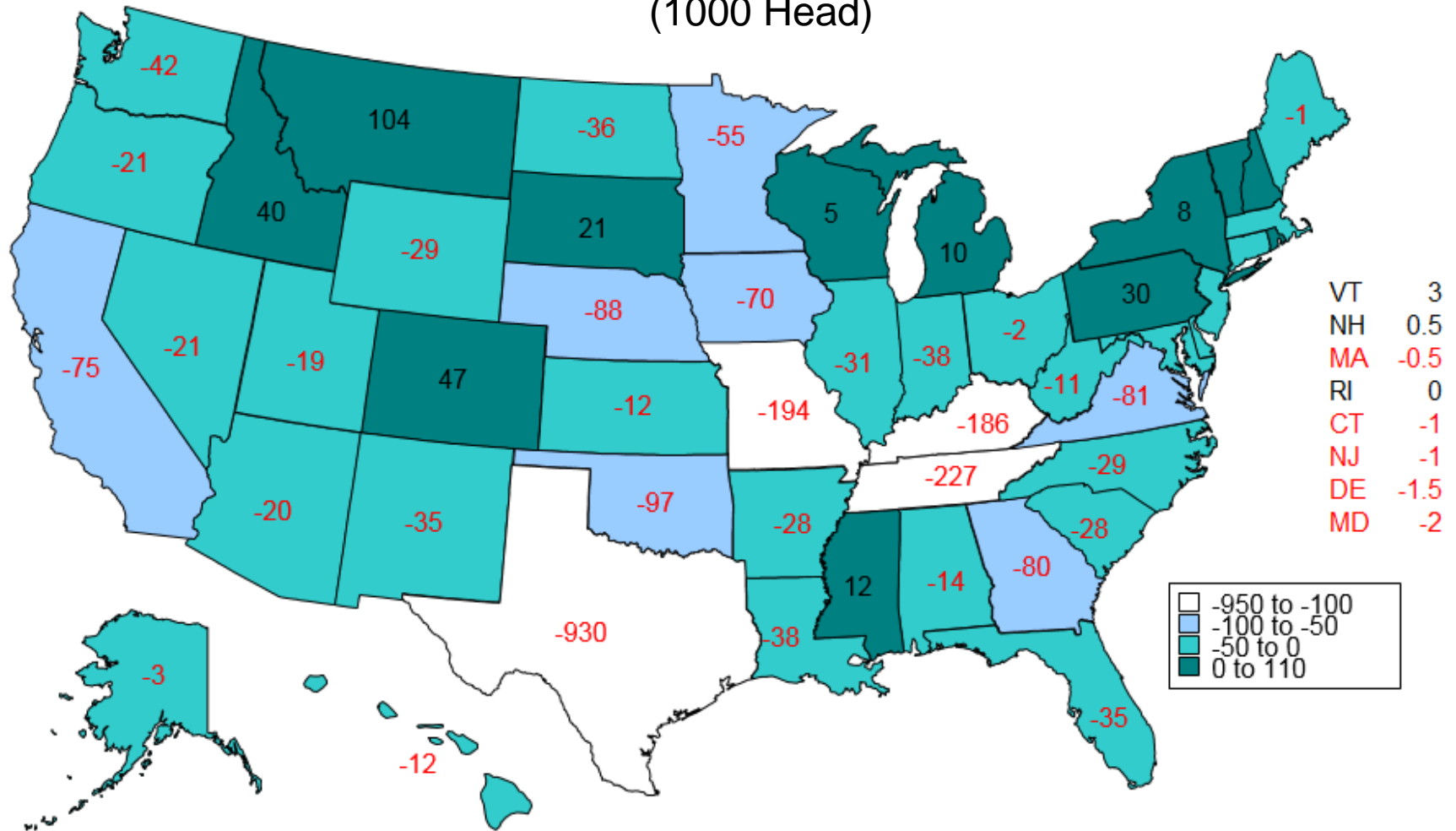


Data Source: USDA-NASS

Livestock Marketing Information Center

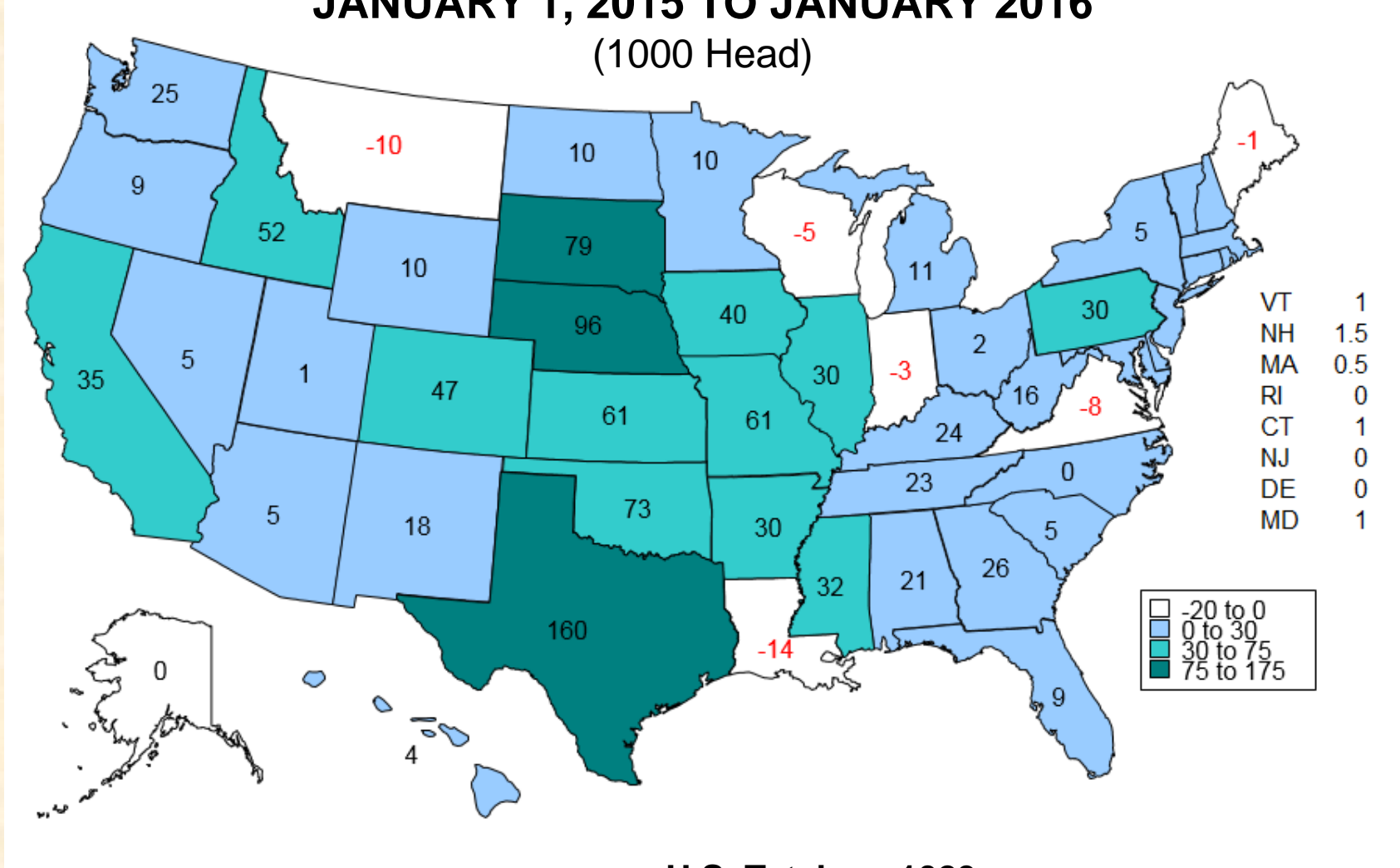
# CHANGE IN BEEF COWS NUMBERS JANUARY 1, 2007 TO JANUARY 2016

(1000 Head)



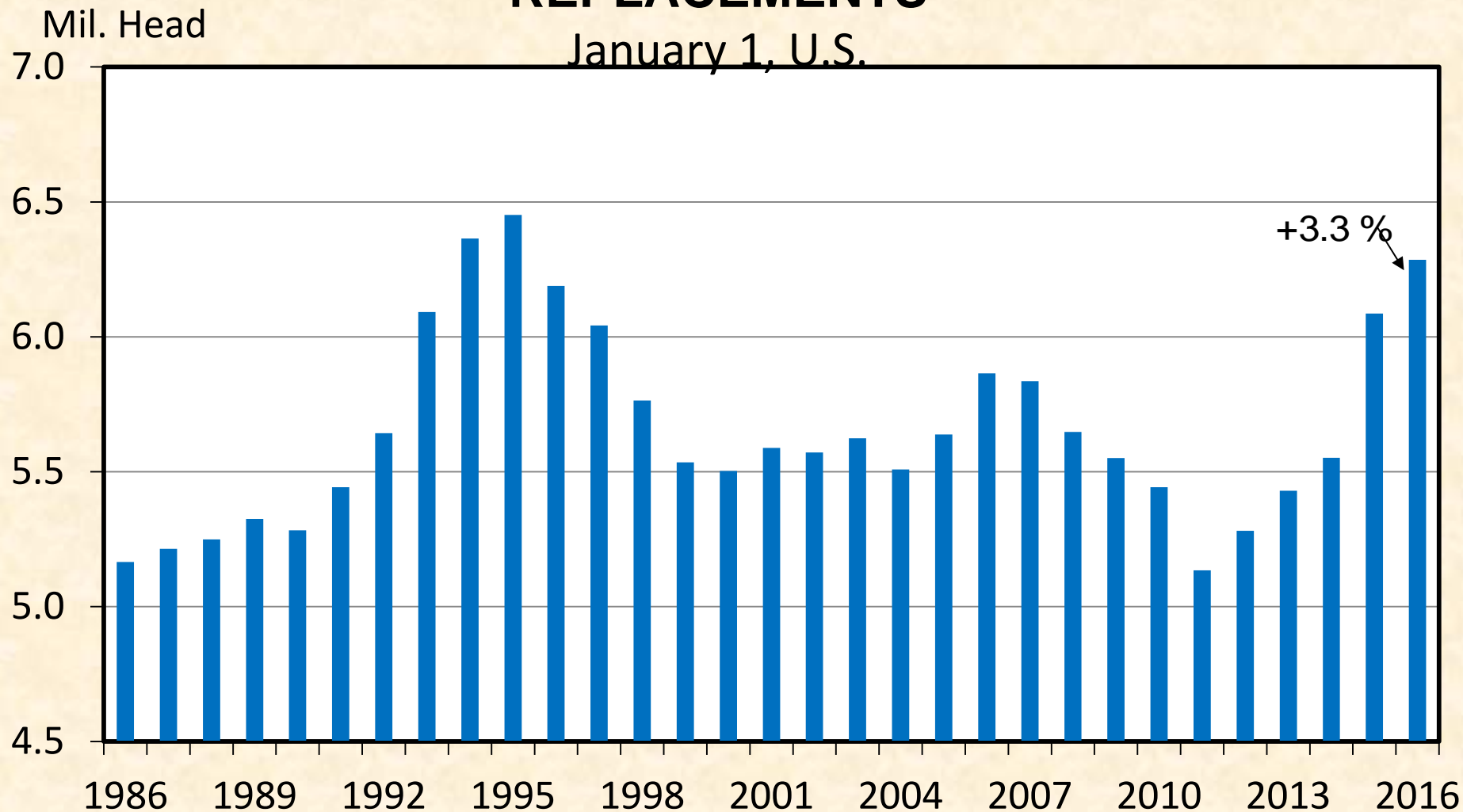
**U.S. Total: -2313**

# CHANGE IN BEEF COWS NUMBERS JANUARY 1, 2015 TO JANUARY 2016 (1000 Head)



# HEIFERS HELD AS BEEF COW REPLACEMENTS

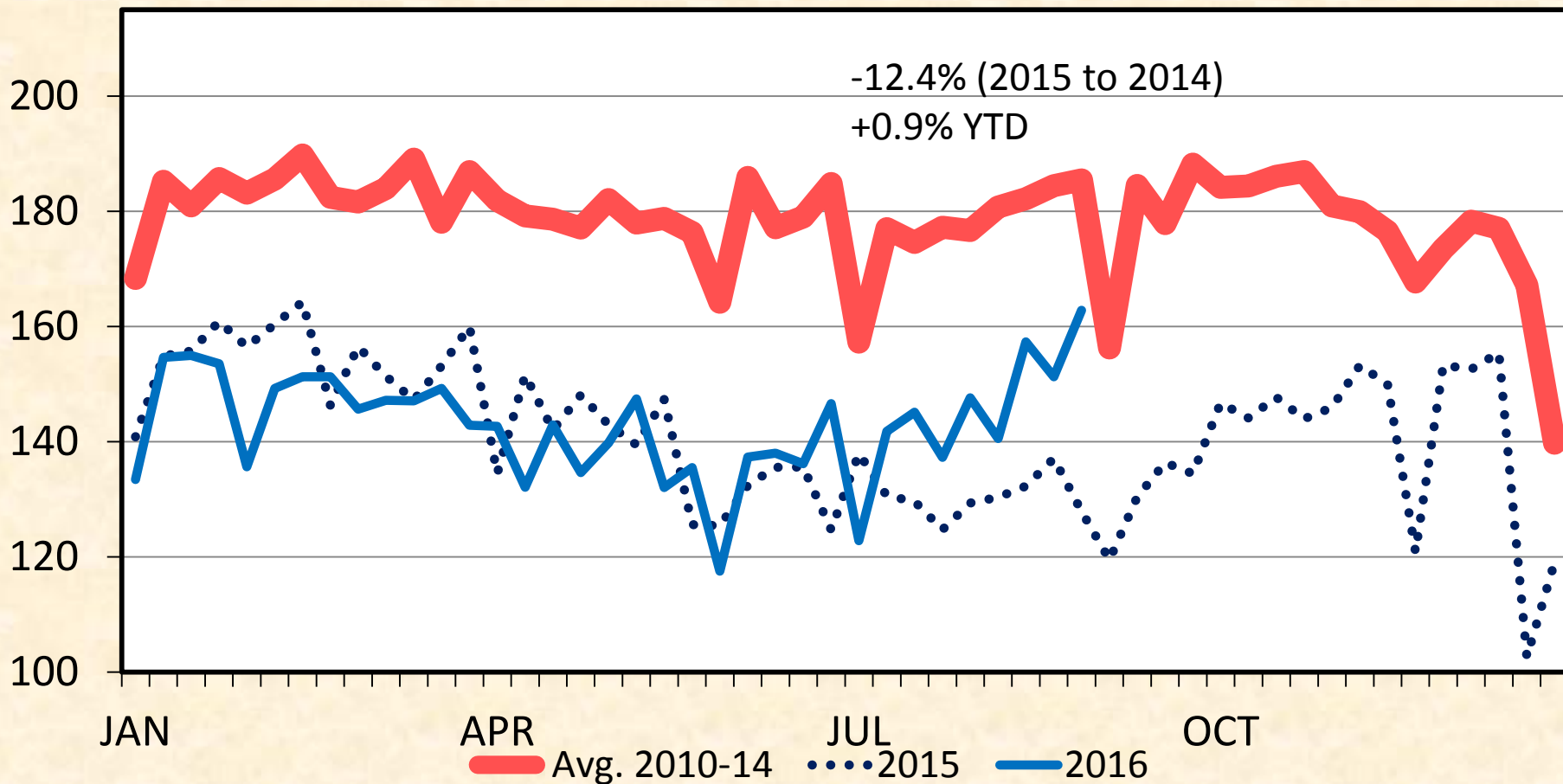
January 1, U.S.



# HEIFER SLAUGHTER

## Federally Inspected, Weekly

Thou. Head

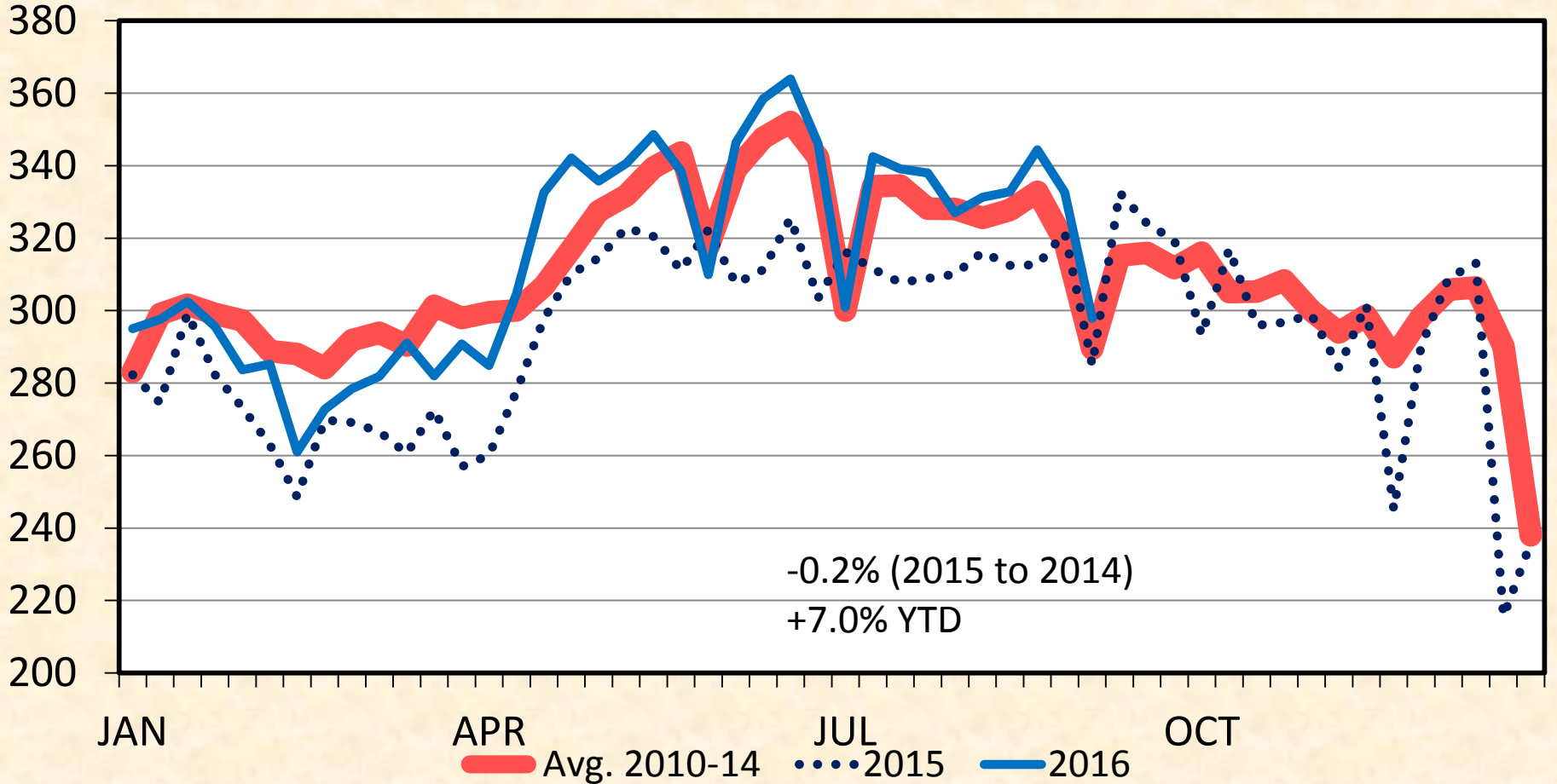




# STEER SLAUGHTER

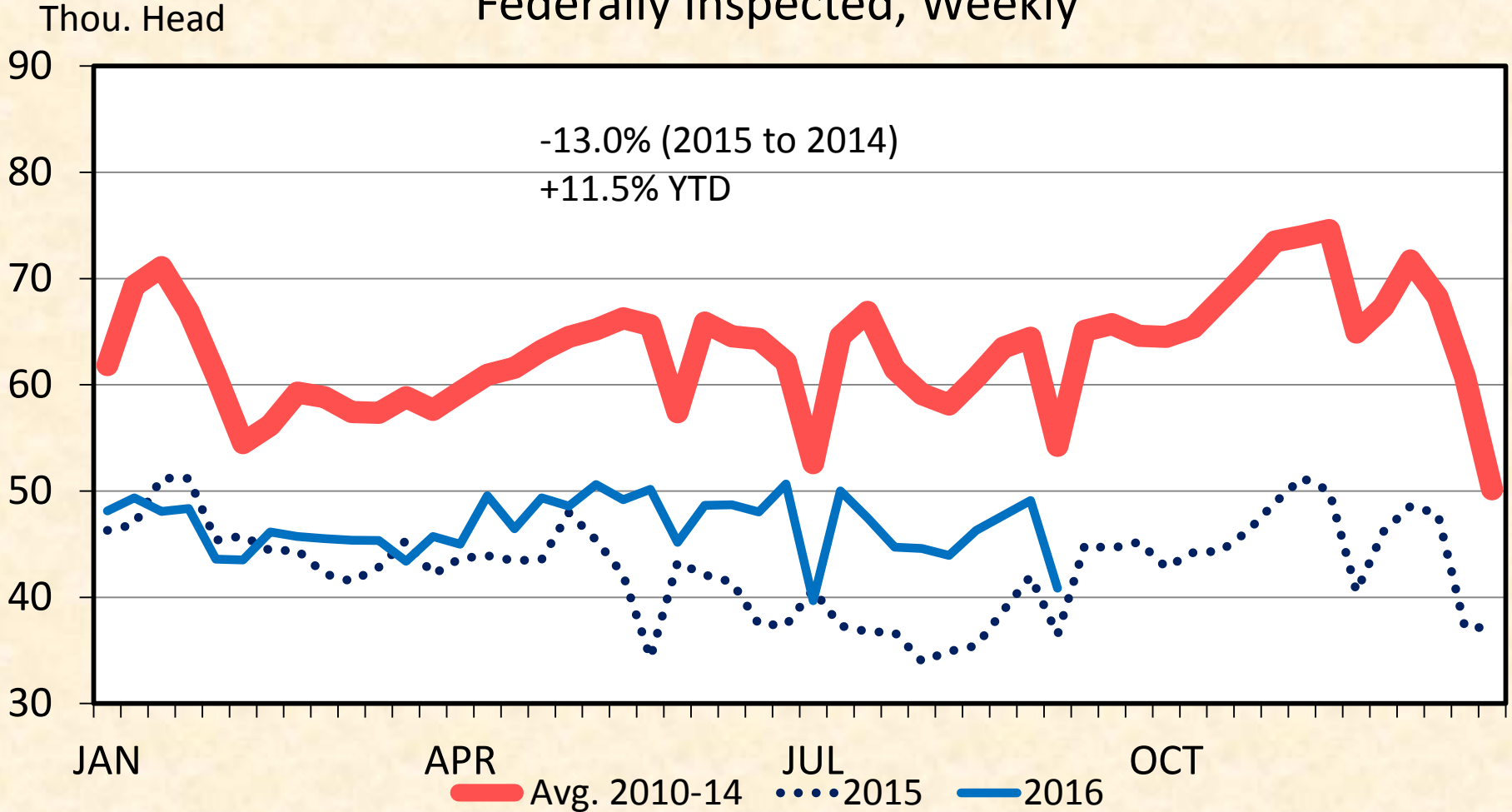
Federally Inspected, Weekly

Thou. Head



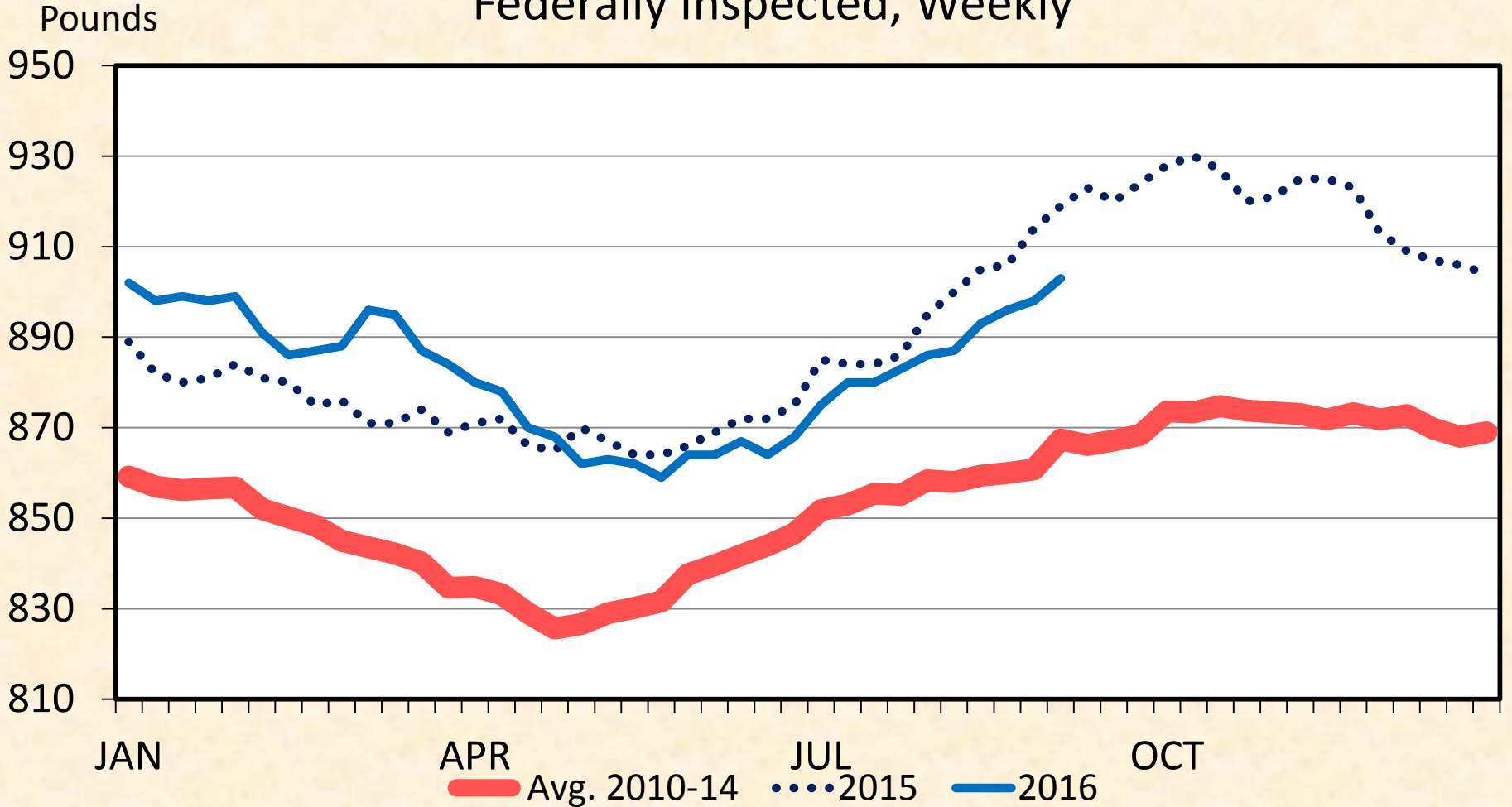
# BEEF COW SLAUGHTER

## Federally Inspected, Weekly



# STEER DRESSED WEIGHT

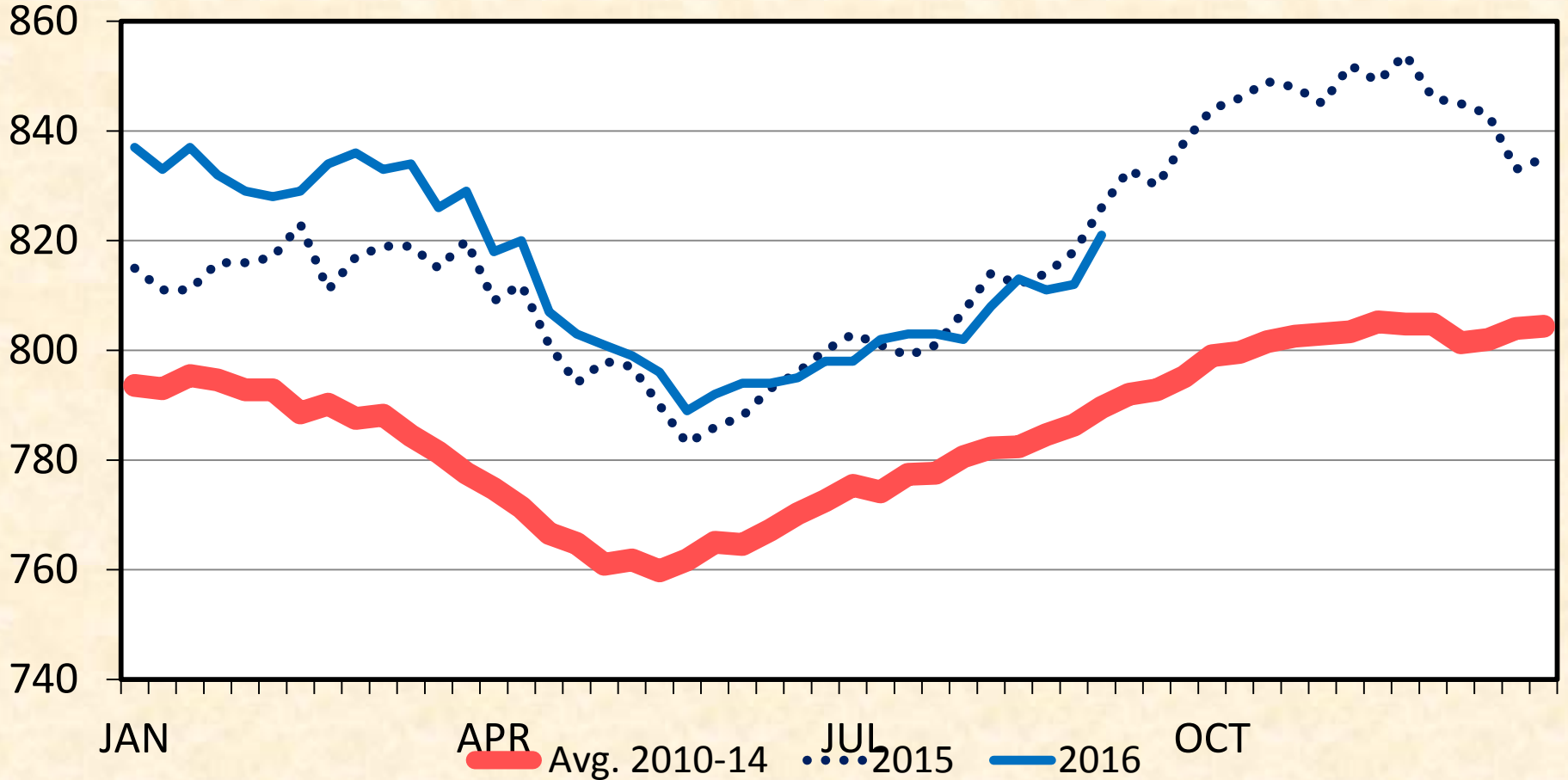
## Federally Inspected, Weekly



# HEIFER DRESSED WEIGHT

Federally Inspected, Weekly

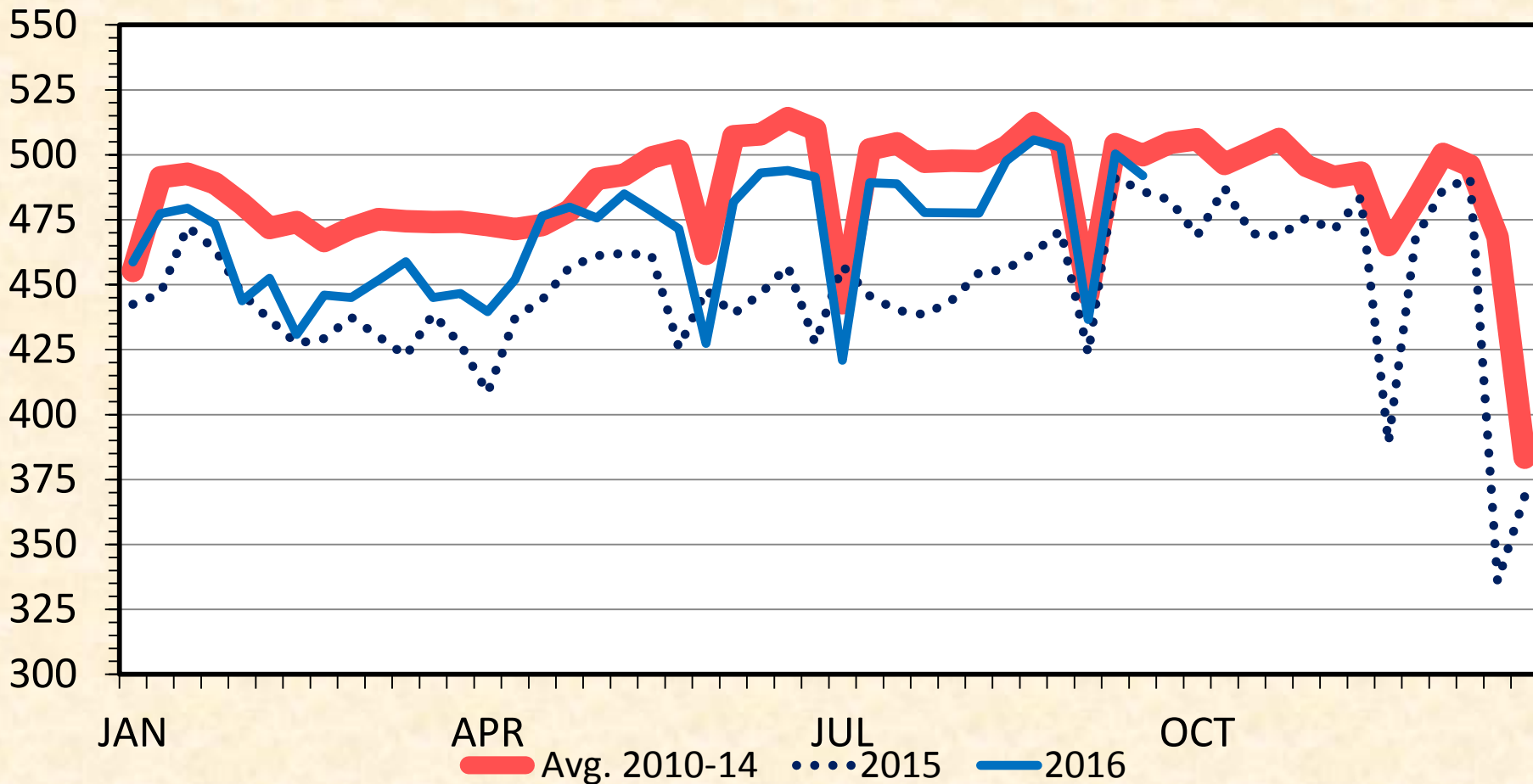
Pounds



# BEEF PRODUCTION

## Federally Inspected, Weekly

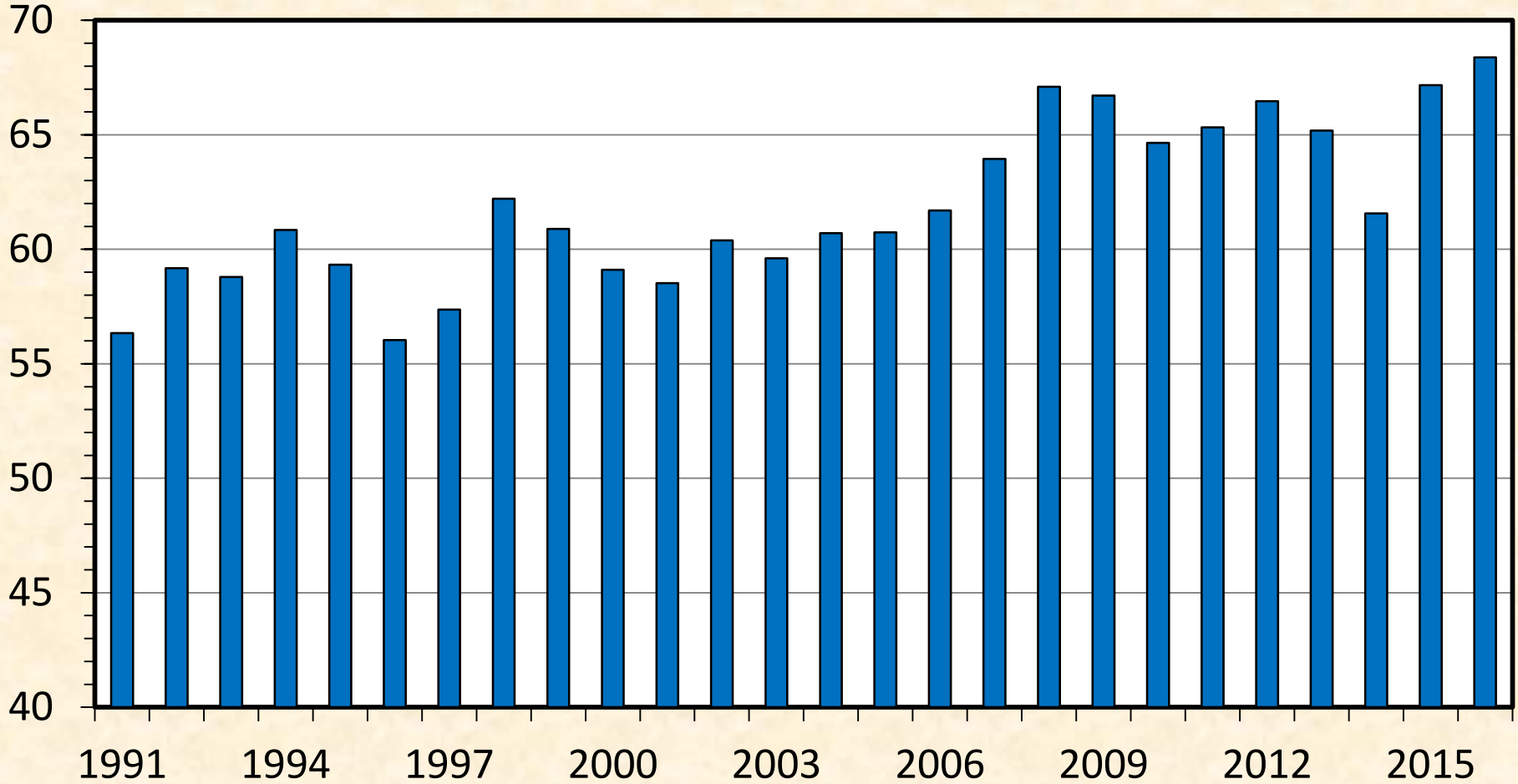
Mil. Pounds



# JUNE 1 ALL HOGS AND PIGS

U.S. Inventory

Mil. Head



Data Source: USDA-NASS

Livestock Marketing Information Center

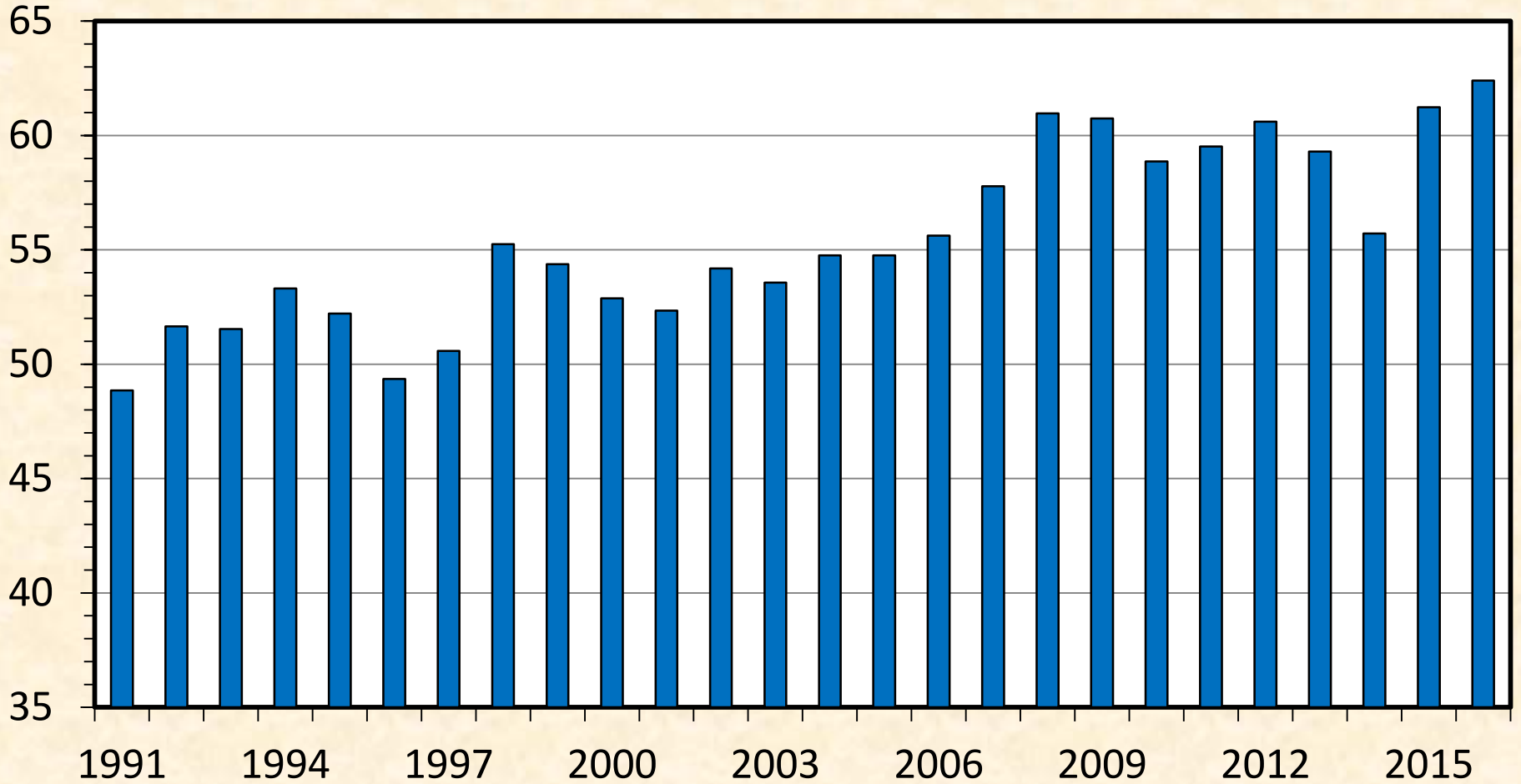
H-N-11

06/24/16

# JUNE 1 MARKET HOGS

U.S. Inventory

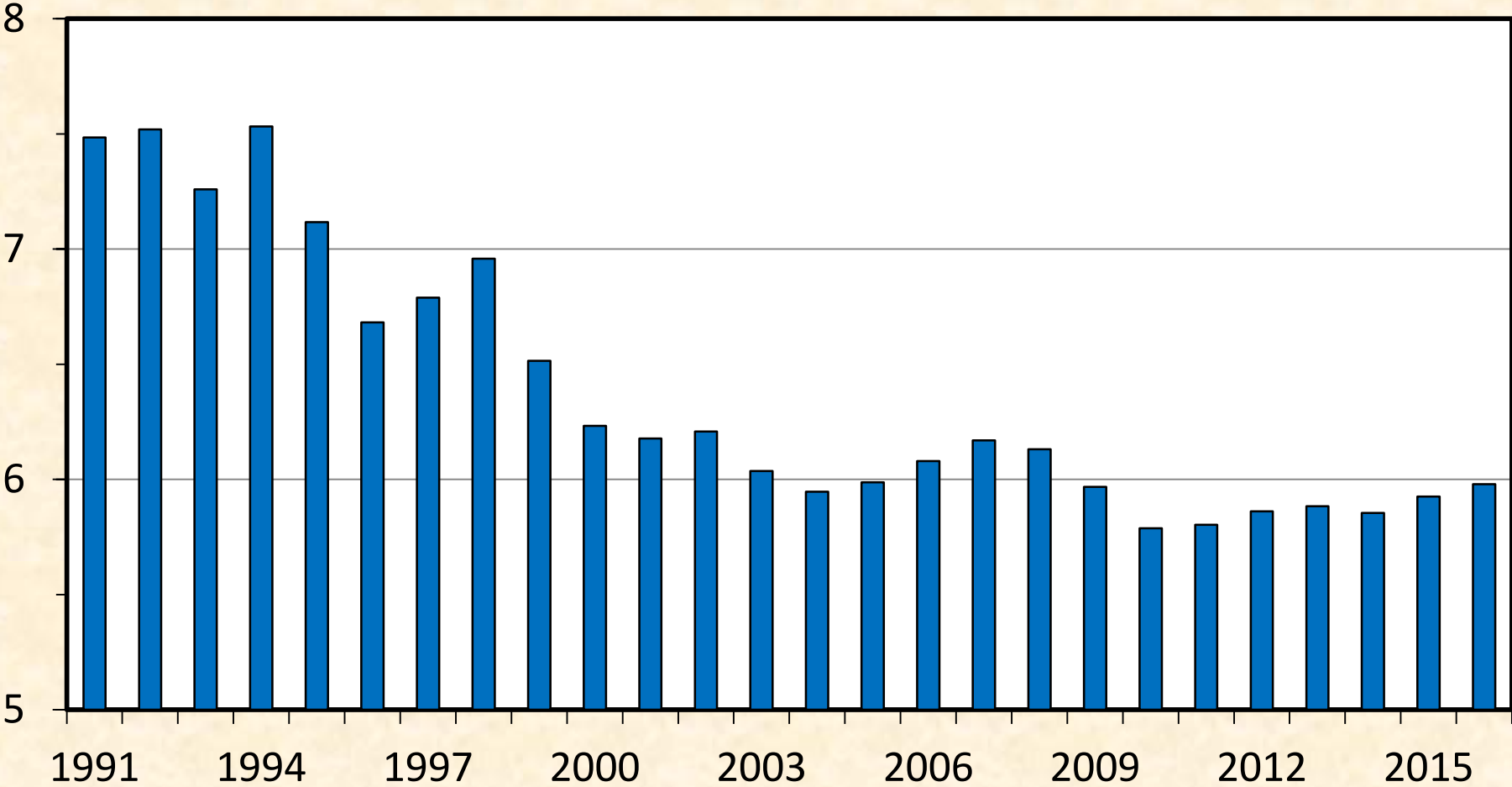
Mil. Head



# JUNE 1 HOG BREEDING HERD

U.S. Inventory

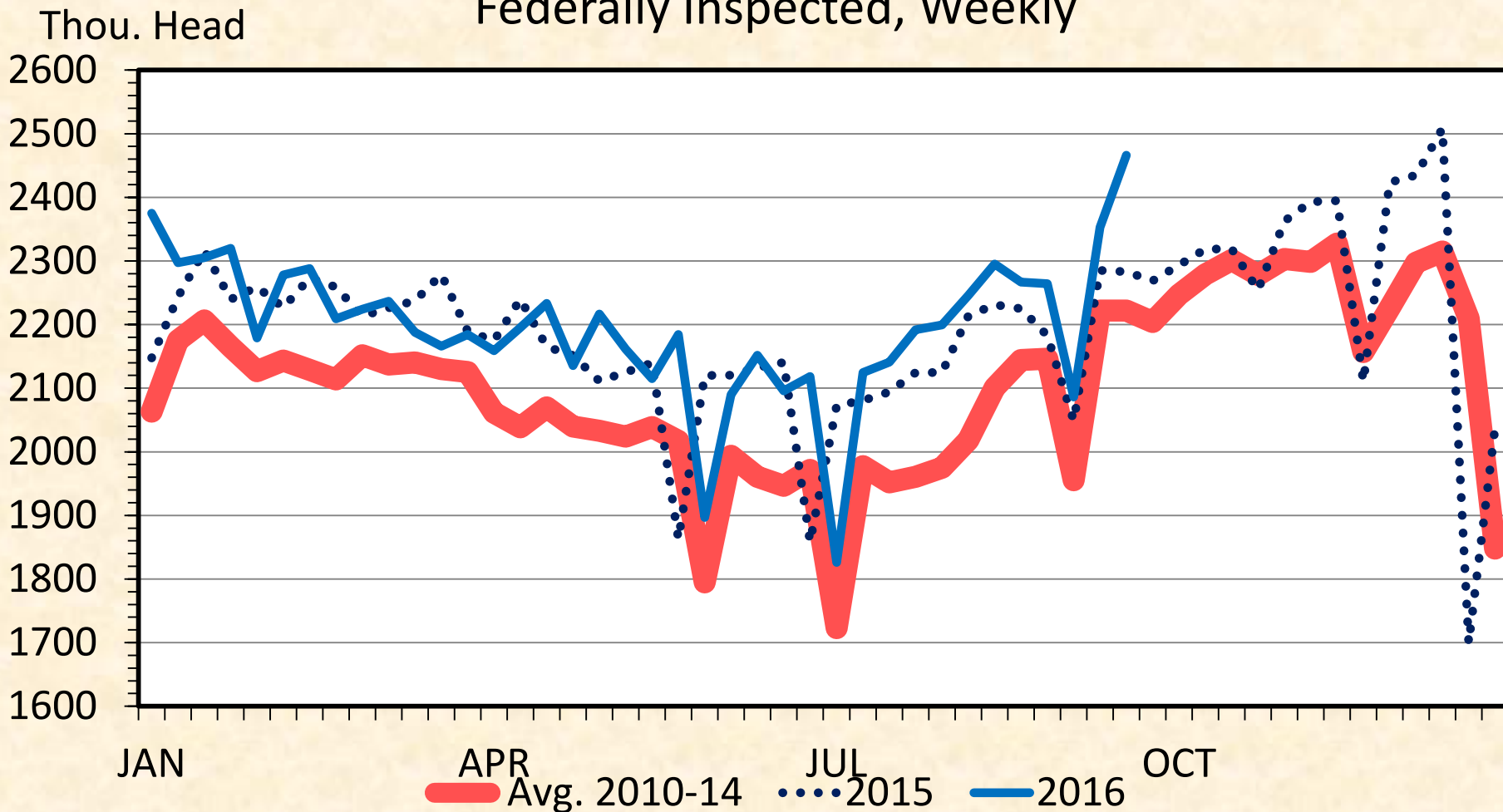
Mil. Head





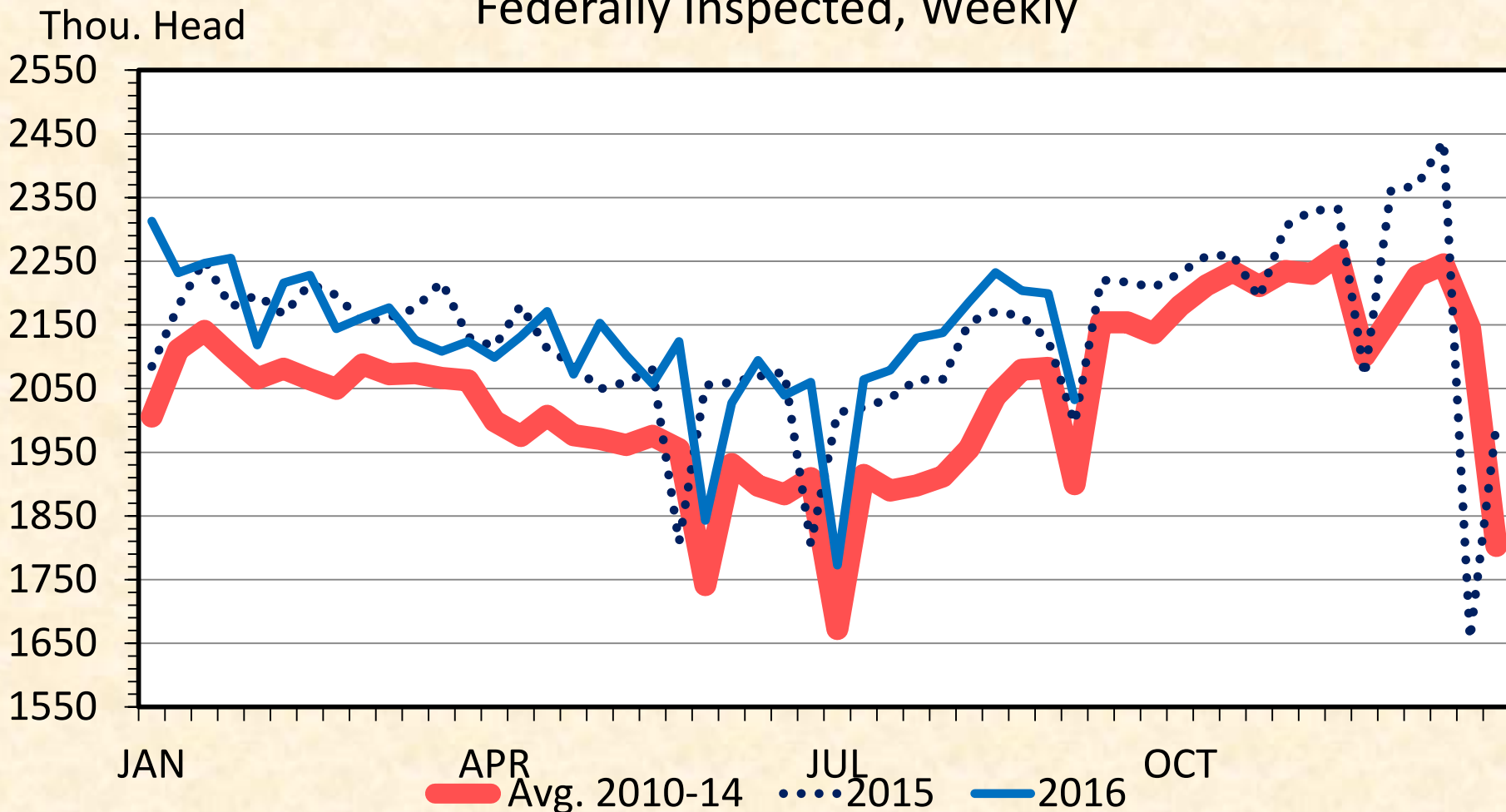
# HOG SLAUGHTER

## Federally Inspected, Weekly



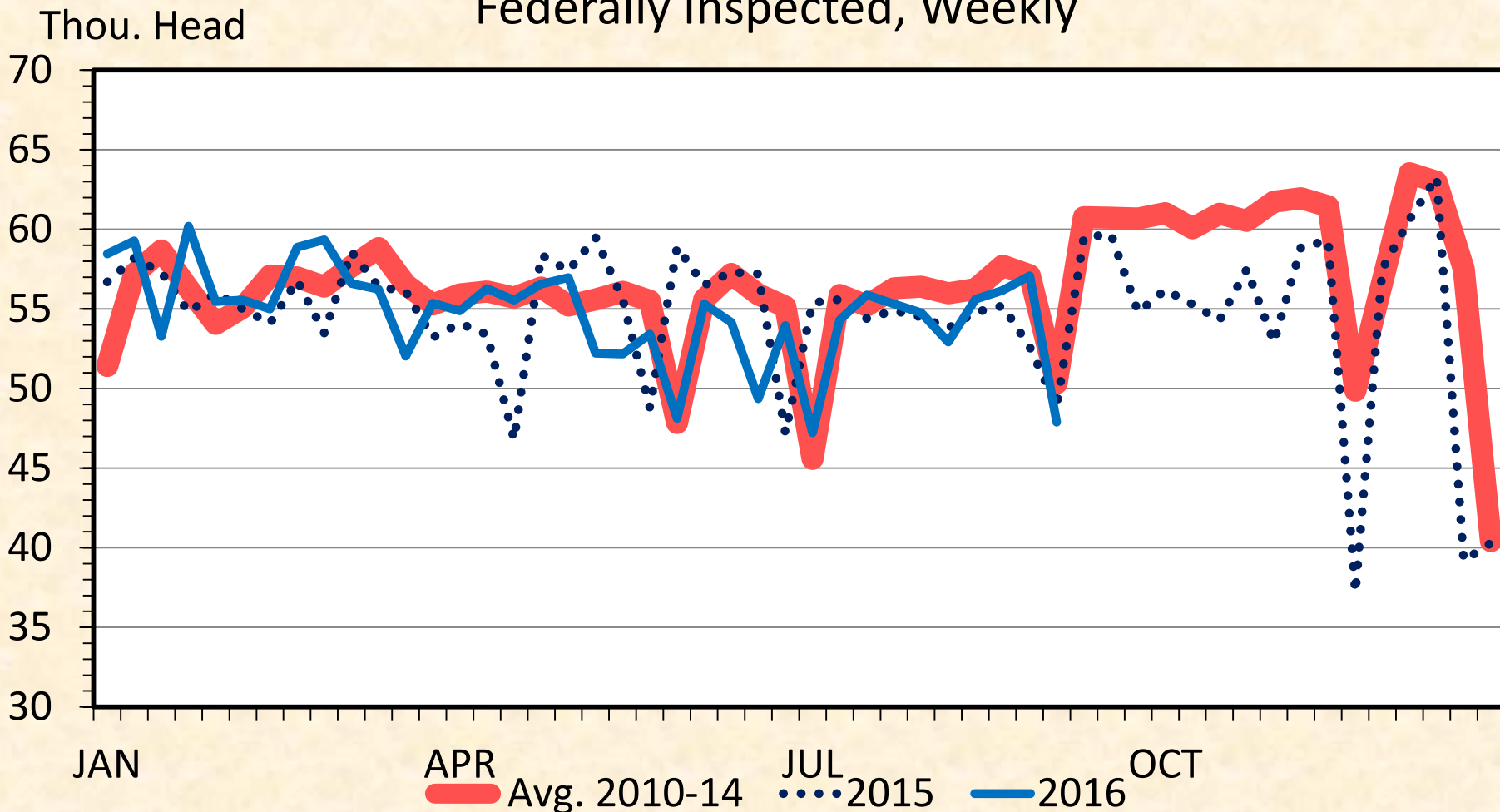
# BARROW AND GILT SLAUGHTER

Federally Inspected, Weekly



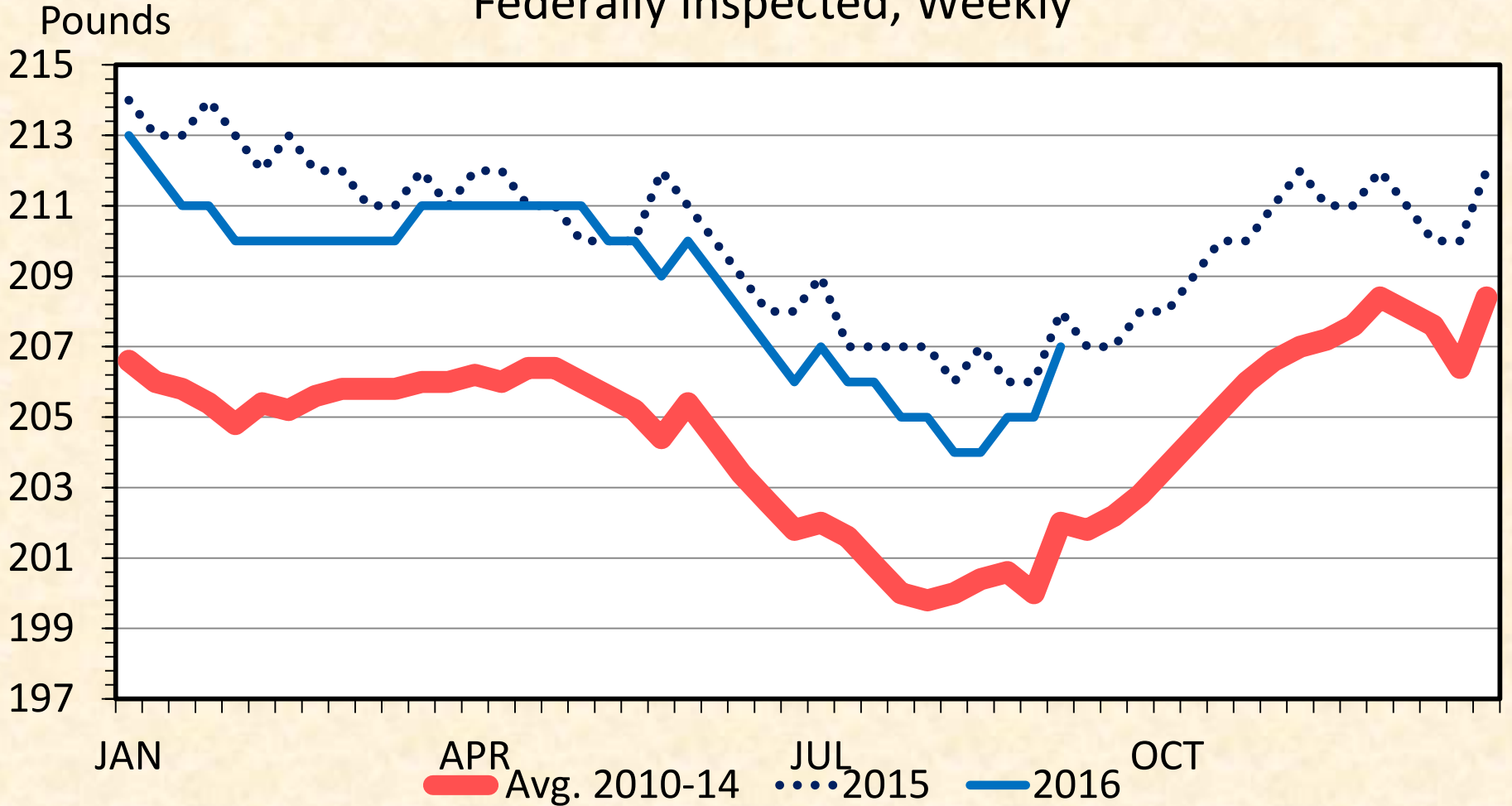
# SOW SLAUGHTER

## Federally Inspected, Weekly



# BARROW AND GILT DRESSED WEIGHT

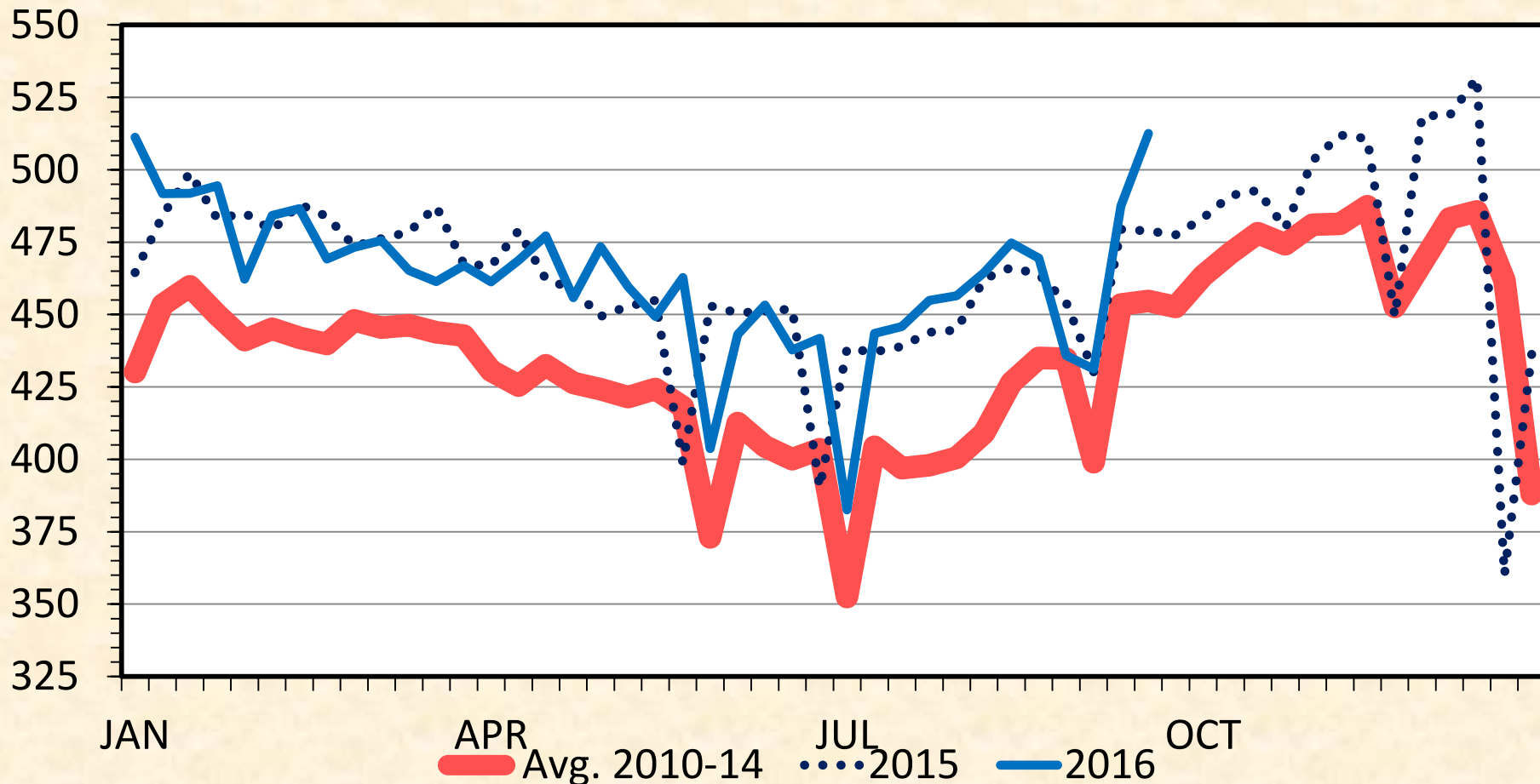
Federally Inspected, Weekly



# PORK PRODUCTION

## Federally Inspected, Weekly

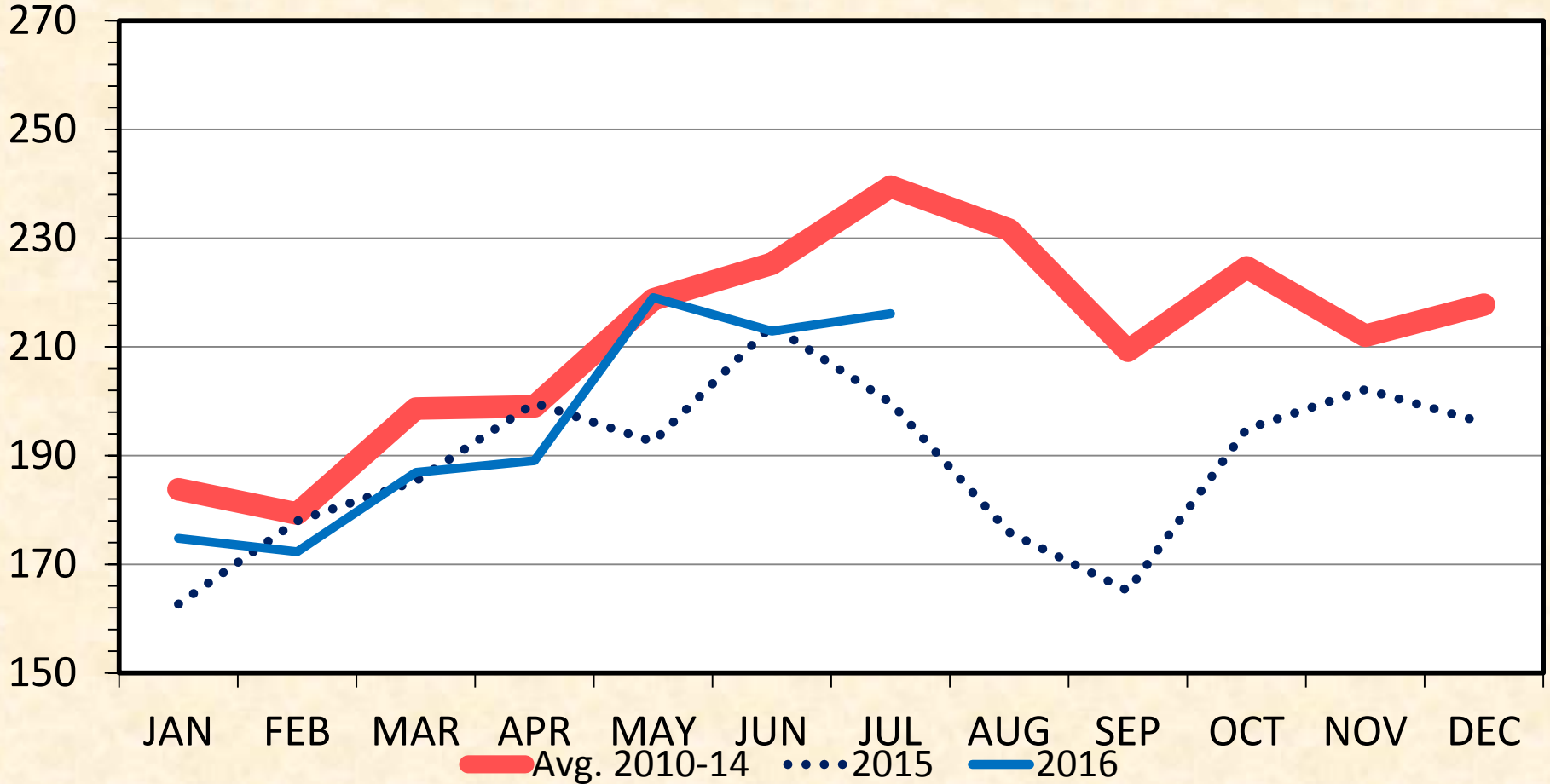
Mil. Pounds



# US BEEF AND VEAL EXPORTS

Carcass Weight, Monthly

Mil. Pounds



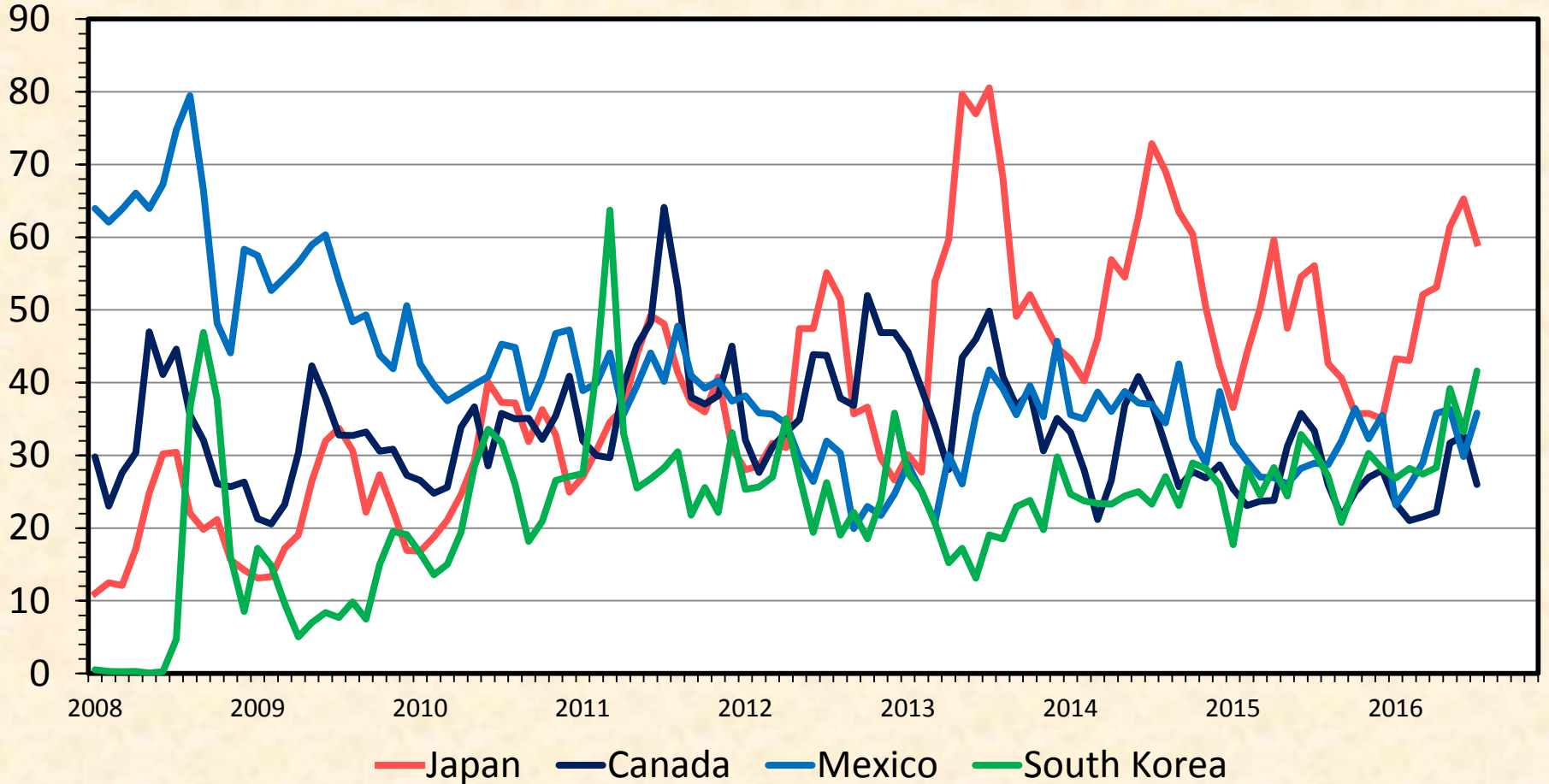
Data Source: USDA-ERS & USDA-FAS

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# US BEEF EXPORTS TO MAJOR MARKETS

Carcass Weight, Monthly

Mil. Pounds



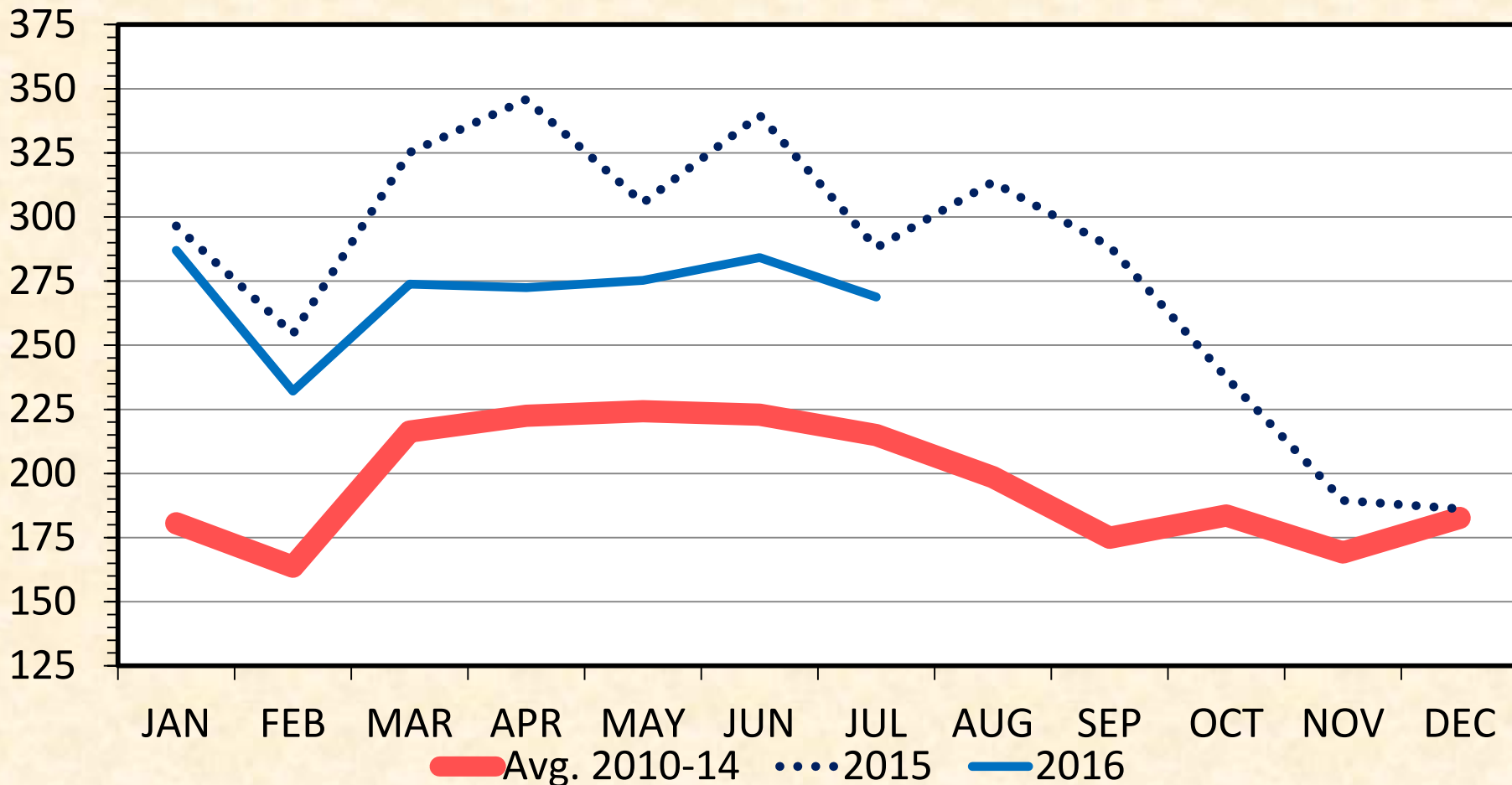
Data Source: USDA-ERS & USDA-FAS

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# US BEEF AND VEAL IMPORTS

Carcass Weight, Monthly

Mil. Pounds

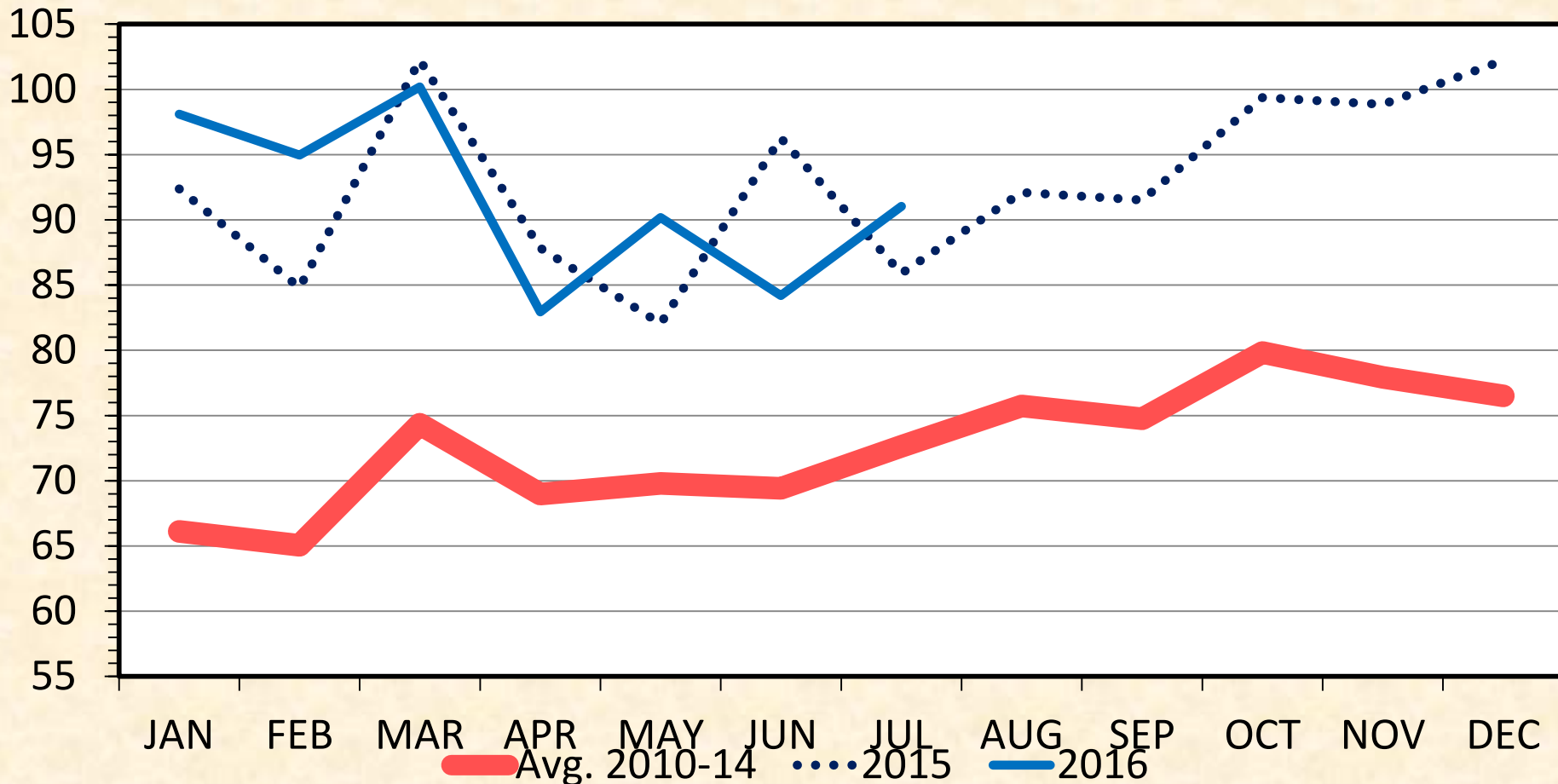




# US PORK IMPORTS

## Carcass Weight, Monthly

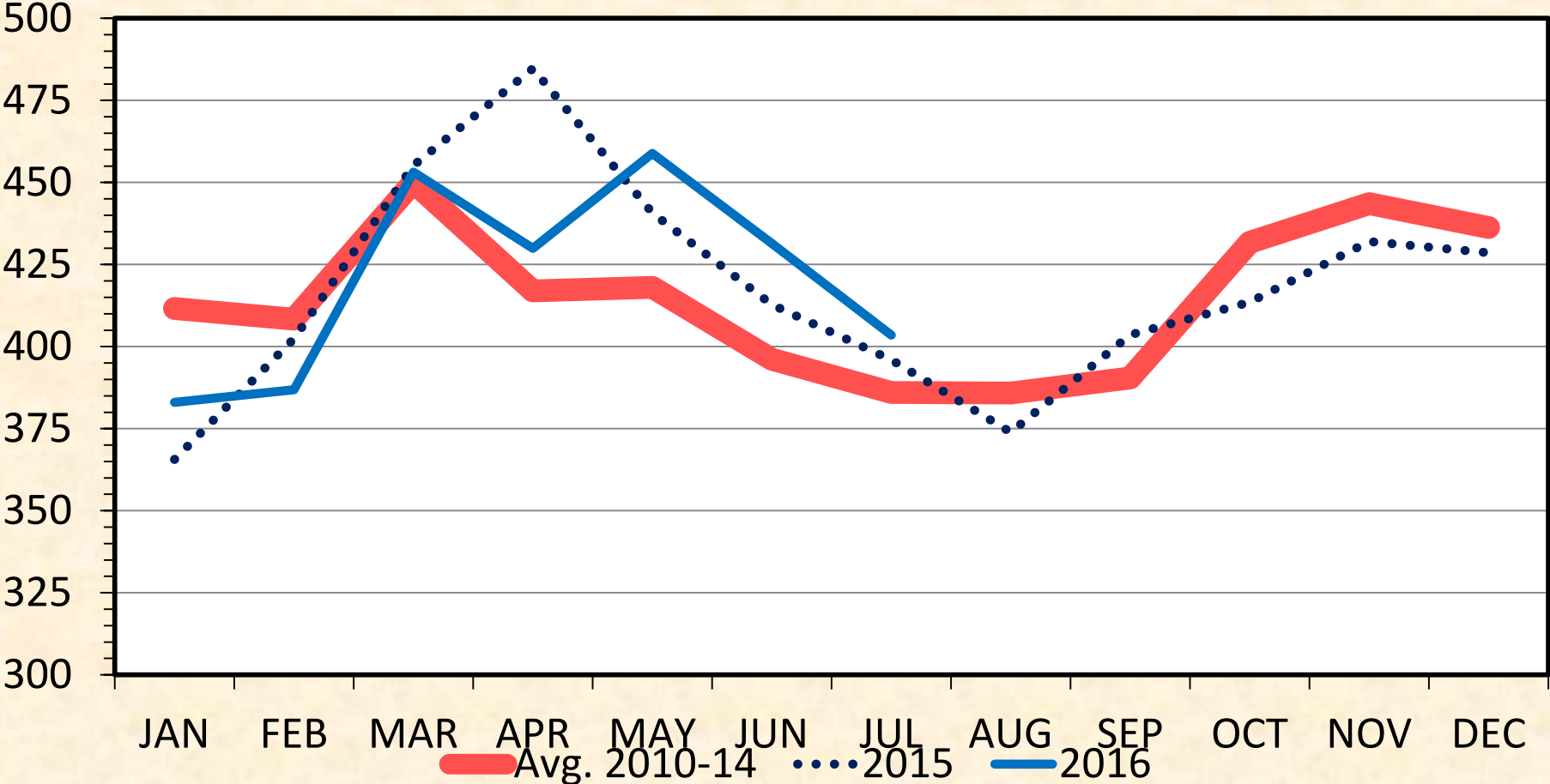
Mil. Pounds



# US PORK EXPORTS

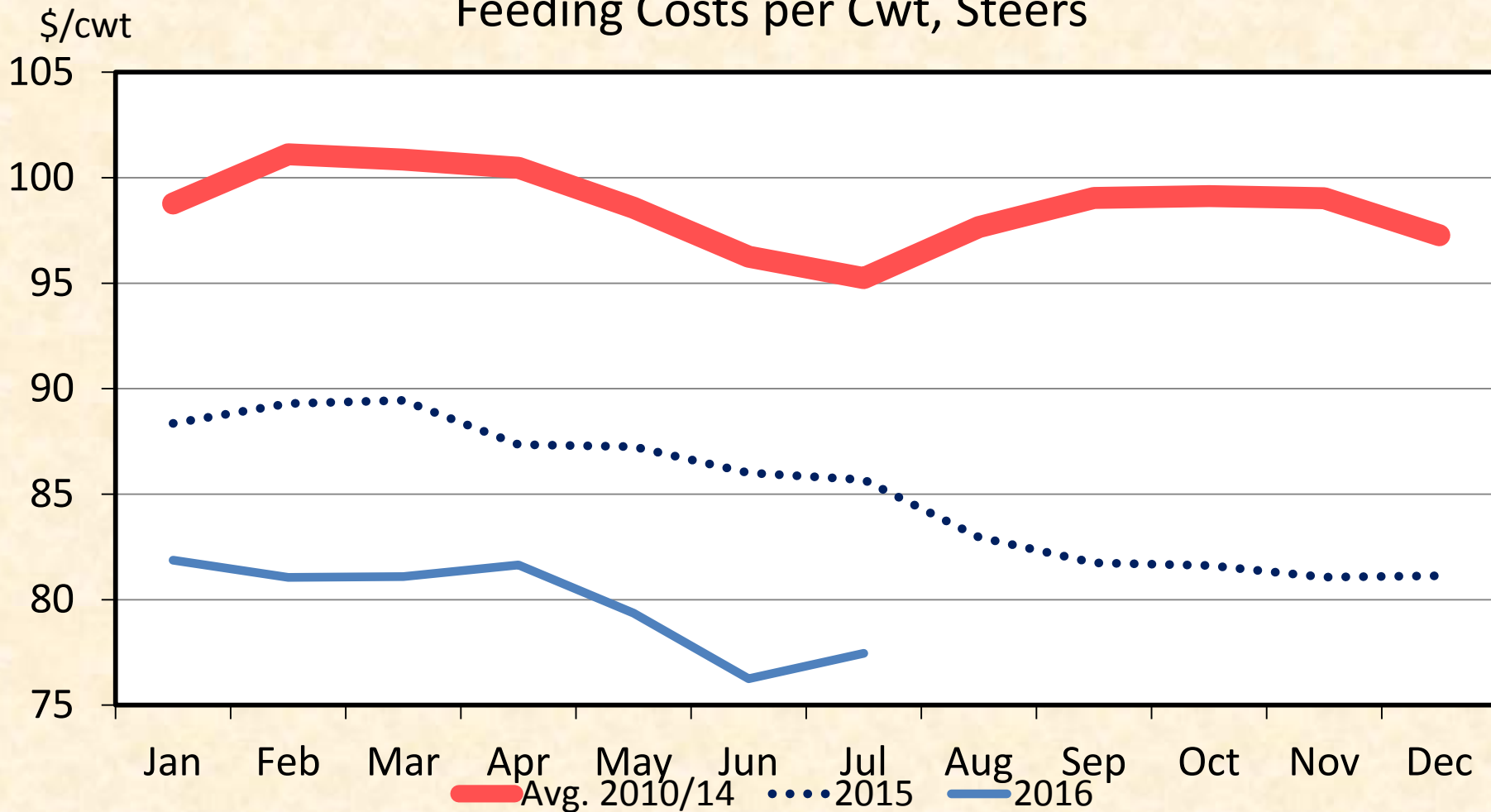
## Carcass Weight, Monthly

Mil. Pounds



# KANSAS FEEDLOT CLOSEOUTS

## Feeding Costs per Cwt, Steers



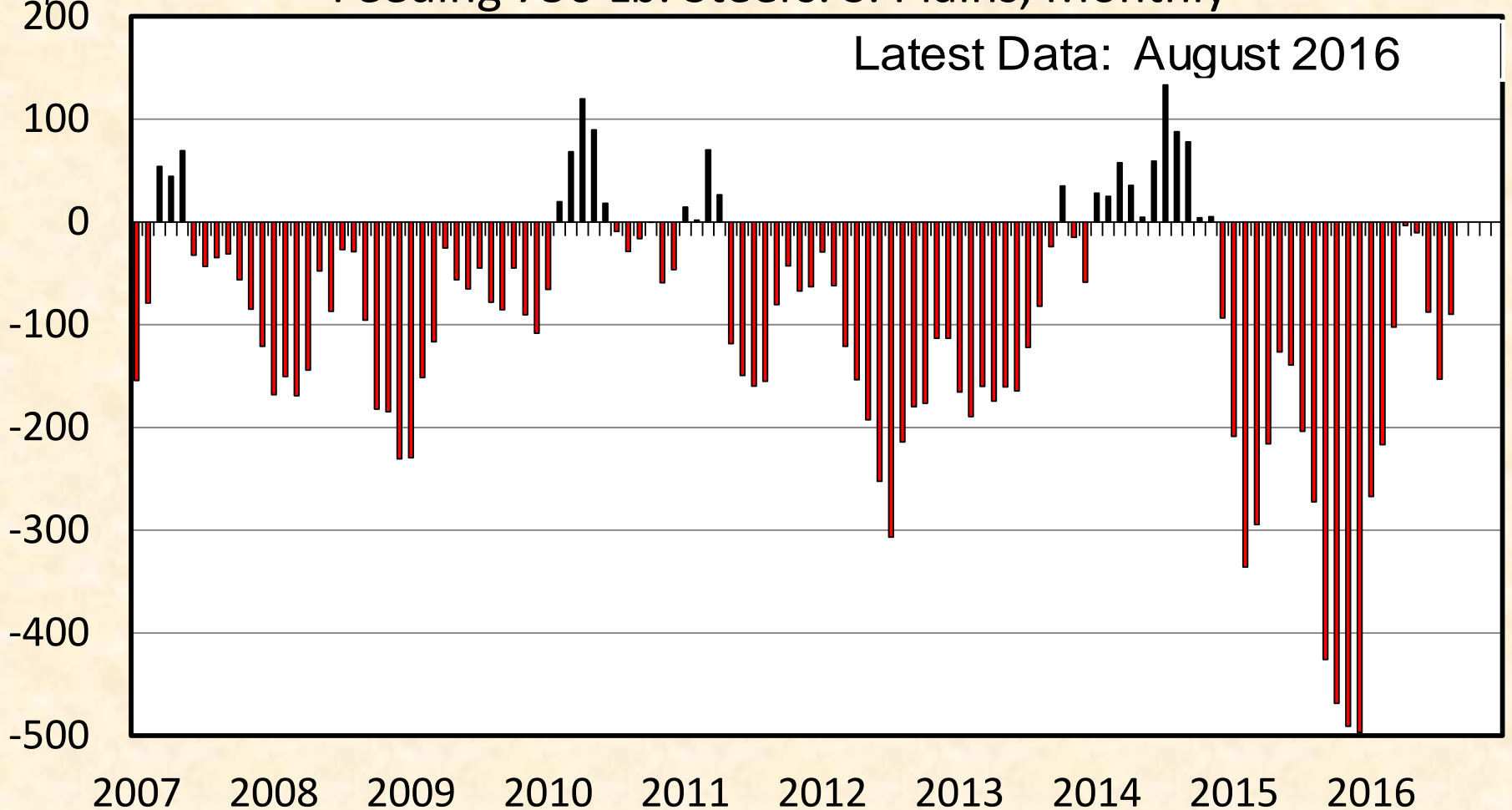
Data Source: KSU Focus on Feedlots, Compiled by LMIC

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# AVERAGE RETURNS TO CATTLE FEEDERS

\$ Per 1000 lbs Feeding 750 Lb. Steers. S. Plains, Monthly

Latest Data: August 2016

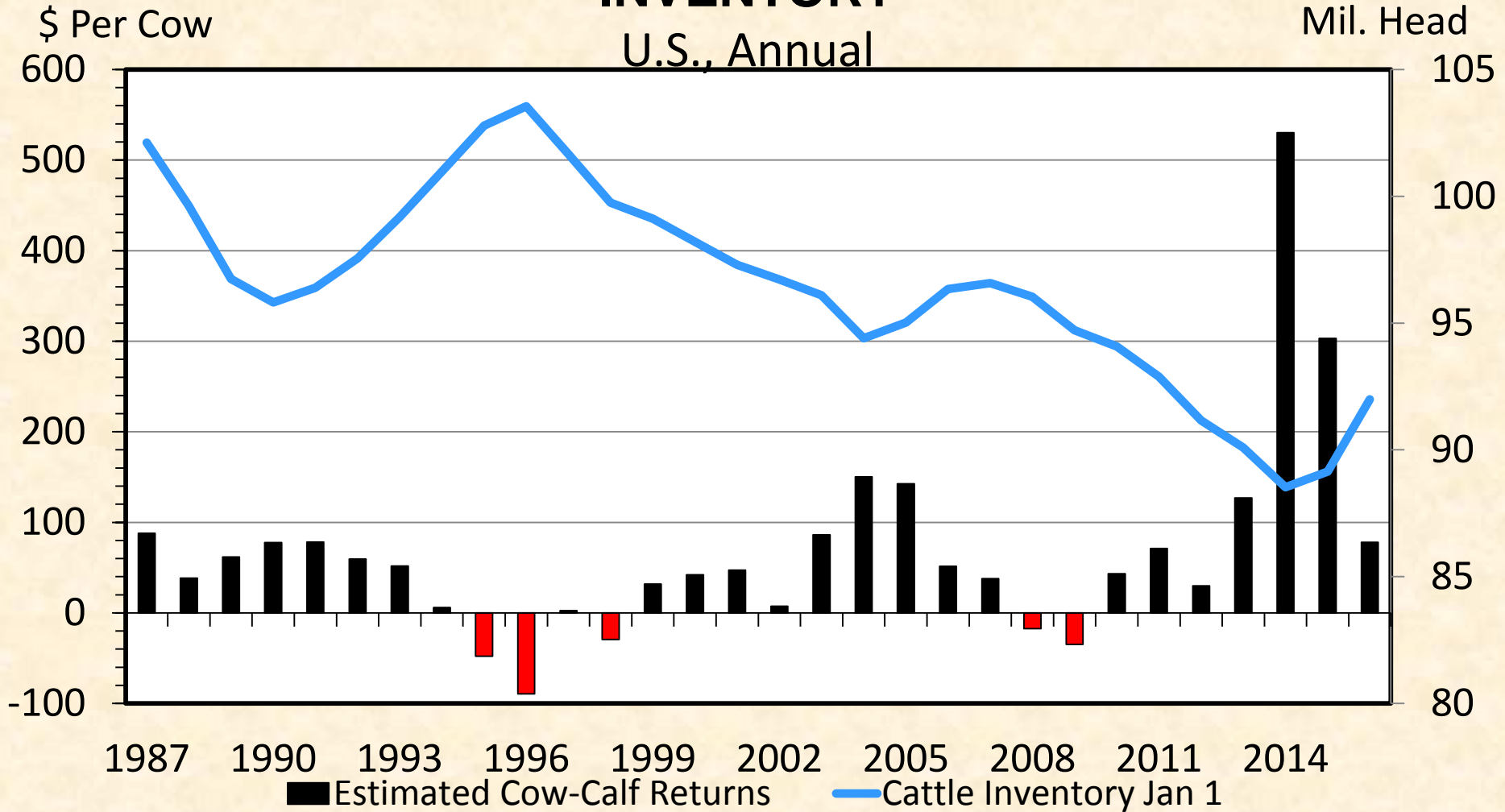


Data Source: USDA-AMS & USDA-NASS, Compiled & Analysis by LMIC

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# COW-CALF RETURNS AND CATTLE INVENTORY

U.S., Annual

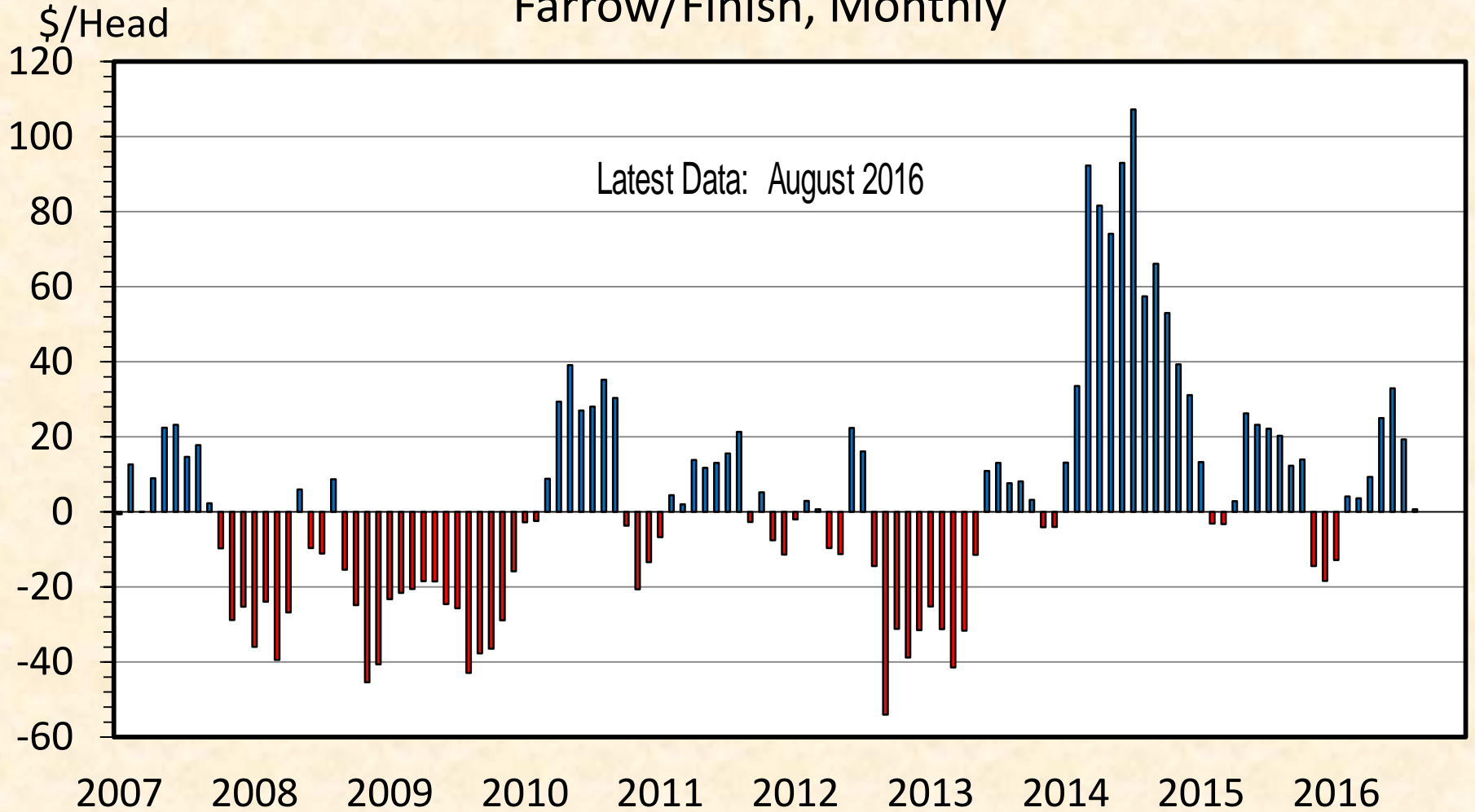


Data Source: USDA-AMS & USDA-NASS, Compiled and Analysis by LMIC

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# IOWA MARKET HOG PROFIT

Farrow/Finish, Monthly



# Fed Cattle Price Forecast

	Forecast
Oct-Dec	120-122
2016	124-126
Jan-Mar	121-124
Apr-Jun	120-124
2017	118-122

# Futures Based Feeder Cattle Price Forecast

	700-800 lb. Steers	700-800 lb. Heifers	500-600 lb. Steers
Oct	125-129	114-118	125-129
Nov	123-127	112-116	126-130
Jan	120-124	110-114	132-136
Mar	117-121	105-109	145-149

- 700-800 lb. load lot price
- 500-600 lb. weekly auction



# Hog Carcass Price Forecast

	Forecast
Oct-Dec	60-63
2016	66-67
Jan-Mar	62-65
Apr-Jun	71-75
2017	66-70

# Take Home Message Beef

- Profitability will come from cost management
- Prices will continue to be pressured due to lower pork and poultry prices
- Export market will remain key
- Herd rebuilding will be up Jan 2017 (0.8%-1.3%) but down during 2017

# Take Home Message Pork

- Lower prices from higher production
- Export market holds key to profitability
- New slaughter facilities a little late
- Reducing production may benefit profitability

# May your boots still shine!

