

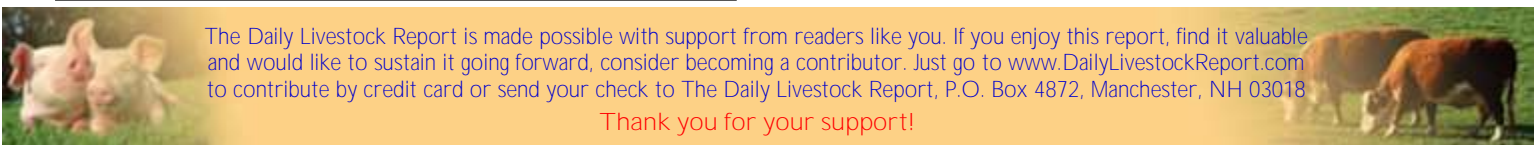
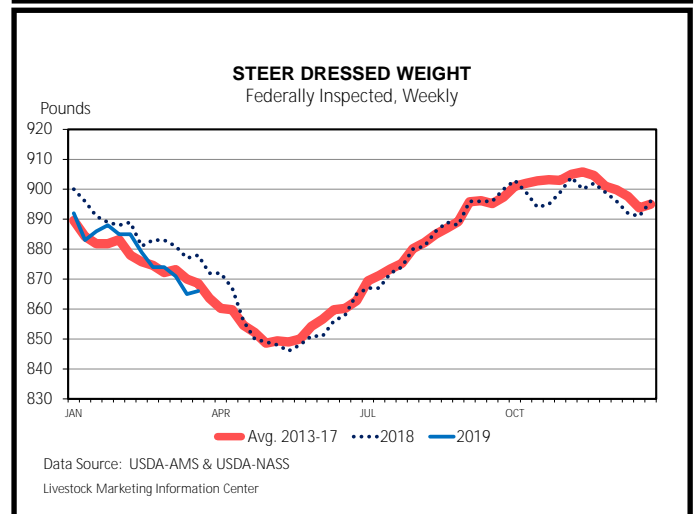
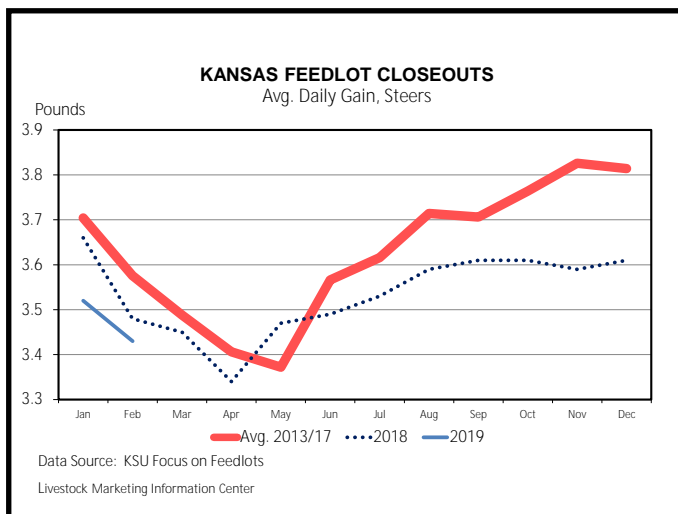
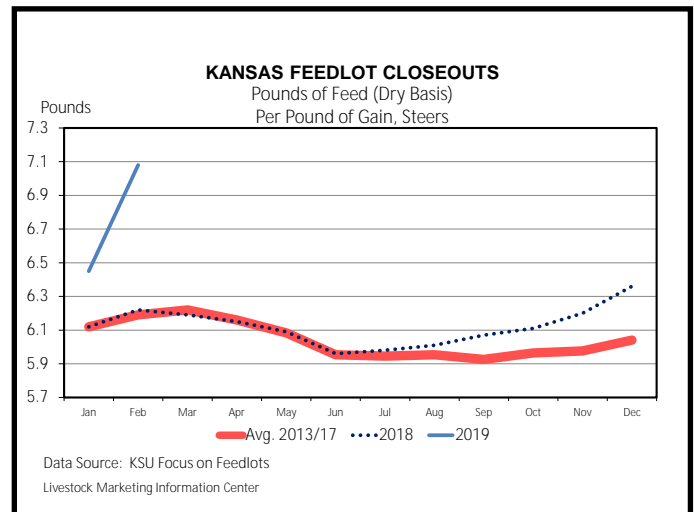
Data reported by Kansas State University (Focus on Feedlots closeout comparison for February) showed the impacts of severe winter weather and very muddy feedlot conditions. The monthly Focus on Feedlots summary is available [here](#). In the surveyed Kansas feedlots, the average daily gain of steers sold in February (see the first graphic) was 3.43 pounds, down 0.5 pounds (-1.4%) from 2018's, and declined by 4.1% compared to the prior 5-year average (2013-17). More feed than usual was required for each pound gained. Pounds of feed (dry matter basis) needed per pound of gain increased (see the second graphic) by 2.2% year-over-year, and was 1.8% above the 2013-17 average.

Major cattle feeding states (i.e., Kansas, Nebraska, Iowa) have fought harsh winter weather and very muddy pens. Those conditions have combined with higher feedstuff costs compared to a year ago. So, the cost of gain in the Kansas survey for steers closedout in February was 5.7% (\$4.53 per cwt.) above 2018's. That is a significant year-over-year increase. Impacted feedlots likely had losses on steers sold in February, where cattle sold from non-muddy feedlots may have posted small profits (based on all economic costs feeding-out a 750-pound animal in a commercial feedlot).

On a national scale, feeding conditions this past winter have manifested as lower dressed weights than a year ago. In data released yesterday (for the week ending March 23rd) by USDA, the Federally Inspected U.S. steer carcass weight was 866 pounds, down 12 pounds from a year earlier and 2 pounds below the prior 5-year average (2013-17). Of course, the long-term trend is

heavier carcass weights year-over-year.

When will steer weights return to year-earlier levels? Before we get into that, note that weights are highly seasonal (third graphic). The answer largely depends on how spring rainfall impacts pen conditions. Also, the rate at which feedlots market cattle will be a factor (if market conditions allow for aggressive marketing rates weights may stay in-check longer). Currently, the Livestock Marketing Information Center projects that steer dressed weights match or slightly exceed a year ago in May. We will see if Mother Nature cooperates.



The Daily Livestock Report is made possible with support from readers like you. If you enjoy this report, find it valuable and would like to sustain it going forward, consider becoming a contributor. Just go to www.DailyLivestockReport.com to contribute by credit card or send your check to The Daily Livestock Report, P.O. Box 4872, Manchester, NH 03018

Thank you for your support!

The **Daily Livestock Report** is published by **Steiner Consulting Group, DLR Division, Inc.** To subscribe, support or unsubscribe please visit www.dailylivestockreport.com.

The Daily Livestock Report is not owned, controlled, endorsed or sold by CME Group Inc. or its affiliates and CME Group Inc. and its affiliates disclaim any and all responsibility for the information contained herein. CME Group®, CME® and the Globe logo are trademarks of Chicago Mercantile Exchange, Inc.

Disclaimer: The *Daily Livestock Report* is intended solely for information purposes and is not to be construed, under any circumstances, by implication or otherwise, as an offer to sell or a solicitation to buy or trade any commodities or securities whatsoever. Information is obtained from sources believed to be reliable, but is in no way guaranteed. No guarantee of any kind is implied or possible where projections of future conditions are attempted. Futures trading is not suitable for all investors, and involves the risk of loss. Past results are no indication of future performance. Futures are a leveraged investment, and because only a percentage of a contract's value is required to trade, it is possible to lose more than the amount of money initially deposited for a futures position. Therefore, traders should only use funds that they can afford to lose without affecting their lifestyle. And only a portion of those funds should be devoted to any one trade because a trader cannot expect to profit on every trade.