Daily Livestock Report

Vol. 17, No. 77 / April 22, 2019

USDA's National Agricultural Statistics Service (NASS) released a monthly Cattle on Feed report last Thursday (the full publication is available here). The primary report statistics were mostly in-line with industry pre-report estimates (see table below). At 4.8% above a year ago, the number of animals placed into feedlots during March was toward the high end of the range of analyst pre-report estimates. Nationally, head placed above 2018's was expected because muddy conditions were no longer delaying animal flows into lots. Three other factors also were at play: 1) cattle feeders had been making some money on closeouts and seeking feeder cattle; 2) the 2018 calf crop was larger than 2017's; and 3) it likely that more heifers were placed than a year ago.

The on-feed inventory (surveyed lots are those with 1,000 head or more capacity) was 2.0% above a year ago (up 235,000 head). At 11.96 million head, that was the largest April 1 count since the current format of this monthly report began in 1996. The prior high was set in April 2006 at 11.81 million animals.

Head marketed during March was expected to be below a year ago due to one less slaughter day than in 2018. On a daily average basis, marketings were up by 1.2% year-over-year.

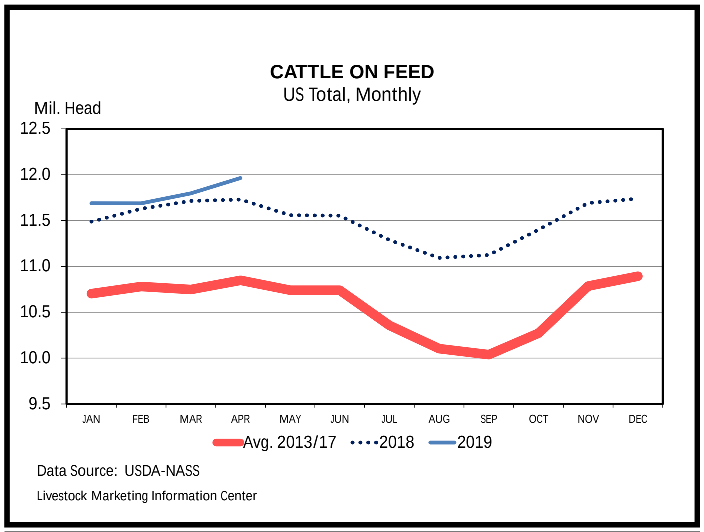
Quarterly, NASS surveys feedlots regarding the number of steers versus heifers on feed. Last week's report contained the results. As of April 1, at 7.45 million head, the number of steers on-feed was below a year ago (down 185,000 head or by 2.5%. In contrast, the number of heifers in feedlots (4.51 million animals) was above a year earlier (rising by 318,000 head or up by 7.6%).

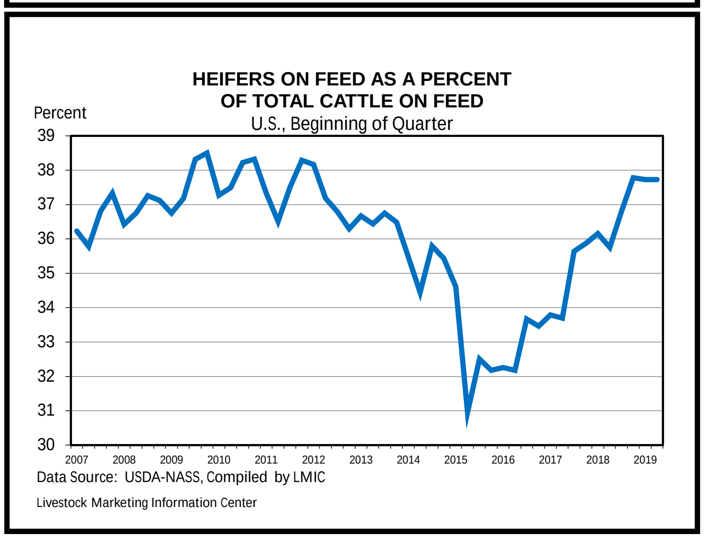
It is important to note that steers enter feedlots as either calves or yearlings. But heifers have a much larger window. Besides entering as a calf or a yearling, those animals also enter feedlots after being redirected from breeding programs. Heifers are often grown to breeding weight but not bred, or they go on-feed if unsuccessfully bred, or if they do not complete pregnancy. Finally, there are heiferettes, which are animals that have had one calf, but were culled because of reproductive problems. Heiferettes are not considered cows by cattle feeders or by USDA grading standards. So, to have a year-over-year increase in heifers on-feed but not steers is biologically likely. In fact, as shown in the last graphic, the proportion of heifers on-feed has returned to levels of 2009 through 2012.

On the second page of this newsletter is a weekly summary of production and cash prices compiled from USDA-AMS (Market News) reports. Note that the data are preliminary. We draw readers attention to the week-over-week increase in the Live Fed Steer Price (5-market average) of 1.7% and the year-over-year increase of 5.5%. Hog prices also increased for the week and were up more than 30% year-over-year.

Cattle on Feed Results and Industry Pre-Report Estimates

	% of Year Ago		
	Acutal	Pre-Report Average	Pre-Report Range
On-Feed April 1	102.0	101.8	100.4 - 102.2
Placed in March	104.8	103.8	97.9 - 106.0
Marketed in March	96.6	96.8	95.7 - 98.4
Pre-Report Source: Urner Barry (used with permission)			





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PRODUCTION & PRICE SUMMARY

Week Ending 4/20/2019

Source: Various USDA Agricultural Marketing Service (Market News) reports. DATA ARE PRELIMINARY .

	Item	Units	Current Week	Last Week	Pct. Change	Last Year	Pct. Change	YTD	Y/Y % Change
			20-Apr-19	13-Apr-19		21-Apr-18			
	Beef, Pork, Chicken, & Turkey	Mil Lbs., cwe	1,897	1,896	0.1%	1,884	0.7%	29,028	1.0%
C	FI Slaughter	Thou. Head	638	638	0.0%	627	1.8%	9,712	1.1%
A	FI Cow Slaughter **	Thou. Head	129	127	1.3%	117	10.0%	1,755	4.7%
T	Avg. Dressed Weight	Lbs.	803	802	0.1%	802	0.1%	808	-1.5%
T	Beef Production	Million Lbs.	511.4	510.6	0.2%	501.9	1.9%	7,845	-0.4%
L	Live Fed Steer Price, 5-Mkt	$ per cwt	128.37	126.19	1.7%	121.71	5.5%		
E	Dressed Steer Price, 5-Mkt	$ per cwt	207.77	204.91	1.4%	191.84	8.3%		
	Oklahoma Steer (600-700 lbs)	$ per cwt	164.72	165.19	-0.3%	155.59	5.9%		
&	Choice Beef Cutout	$ per cwt	232.50	228.72	1.7%	211.78	9.8%		
	Hide/Offal	$ per cwt, live wt	9.12	9.14	-0.2%	9.75	-6.5%		
B	Rib, Primal, Choice	$ per cwt	393.83	384.54	2.4%	346.17	13.8%		
E	Round, Primal, Choice	$ per cwt	173.41	174.07	-0.4%	165.82	4.6%		
E	Chuck, Primal, Choice	$ per cwt	179.26	177.31	1.1%	170.94	4.9%		
F	Trimmings, 50%, Fresh	$ per cwt	89.99	87.90	2.4%	93.41	-3.7%		
	Trimmings, 90%, Fresh	$ per cwt	219.58	218.32	0.6%	218.16	0.7%		
	FI Slaughter	Thou. Head	2,380	2,384	-0.2%	2,421	-1.7%	38,928	2.4%
H	FI Sow Slaughter **	Thou. Head	60.3	61.0	-1.1%	60.4	-0.2%	819	0.2%
O	Avg. Dressed Weight	Lbs.	215.0	215.0	0.0%	215.0	0.0%	215	0.2%
G	Pork Production	Million Lbs.	510.4	510.7	-0.1%	519.9	-1.8%	8,351	2.6%
S	Iowa-S. Minn. Direct	Wtd. Avg.	78.70	76.39	3.0%	55.51	41.8%		
	Natl. Base Carcass Price	Wtd. Avg.	77.69	76.23	1.9%	59.07	31.5%		
&	Natl. Net Carcass Price	Wtd. Avg.	79.71	78.27	1.8%	61.08	30.5%		
	Pork Cutout	$ per cwt	87.13	84.10	3.6%	68.23	27.7%		
P	By-product Value	$ per cwt, live wt	3.62	3.60	0.6%	3.62	0.0%		
O	Ham, Primal	$ per cwt	64.75	63.61	1.8%	55.11	17.5%		
R	Loin, Primal	$ per cwt	76.17	74.92	1.7%	69.26	10.0%		
K	Belly, Primal	$ per cwt	161.39	155.28	3.9%	91.32	76.7%		
	Trimmings, 72%, Fresh	$ per cwt	94.57	91.01	3.9%	56.82	66.4%		
C	Young Chicken Slaughter *	Million Head	164.4	164.3	0.1%	159.40	3.1%	2,414	1.6%
H	Avg. Weight (RTC)	Lbs.	4.69	4.67	0.5%	4.77	-1.8%	4.66	-0.8%
I	Young Chicken Production (RTC)	Million Lbs.	771.0	766.6	0.6%	760.8	1.3%	11,242	0.8%
C	Eggs Set (US)	Million	233.4	230.7	1.2%	229.9	1.5%	3,456	1.5%
K	Chicks Placed (US)	Million Head	185.7	187.2	-0.8%	182.1	1.9%	2,763	1.3%
E	National Composite Whole Bird	Composite	97.11	96.25	0.9%	108.75	-10.7%		
N	Northeast Breast, B/S	$ per cwt	129.83	126.61	2.5%	133.57	-2.8%		
	Northeast Leg Quarters	$ per cwt	41.36	41.86	-1.2%	40.18	2.9%		
T	Total Turkey Slaughter *	Million Head	3.92	4.01	-2.3%	3.97	-1.2%	59.2	-2.1%
U	Avg. Weight (RTC)	Lbs.	26.68	27.01	-1.2%	25.48	4.7%	26.85	4.5%
R	Turkey Production (RTC)	Million Lbs.	104.6	108.4	-3.5%	101.0	3.5%	1,590	2.3%
K	National Hen (8-12 Lbs)	$ per cwt	85.00	87.24	-2.6%	79.50	6.9%		
G	Corn, Omaha	$ per Bushel	3.58	3.56	0.6%	3.68	-2.6%		
R	Distillers Grain, IA	$ per Ton	135.00	140.00	-3.6%	152.50	-11.5%		
A	Soybean, Cntrl IL	$ per Bushel	8.53	8.69	-1.8%	10.24	-16.7%		
I	Soybn Meal 48%, Cntrl IL	$ per Ton	301.70	305.70	-1.3%	378.30	-20.2%		
N									

* Chicken & turkey slaughter & production are 1 week earlier than the date at the top of this sheet.

** Cow and sow slaughter reflect levels from two weeks ago (part of 'actual" rather than "preliminary" weekly slaughter report).