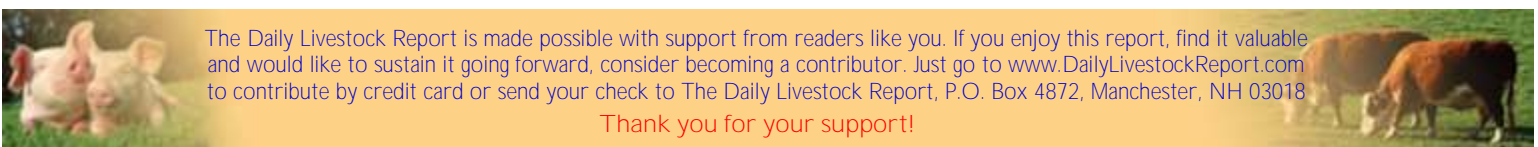
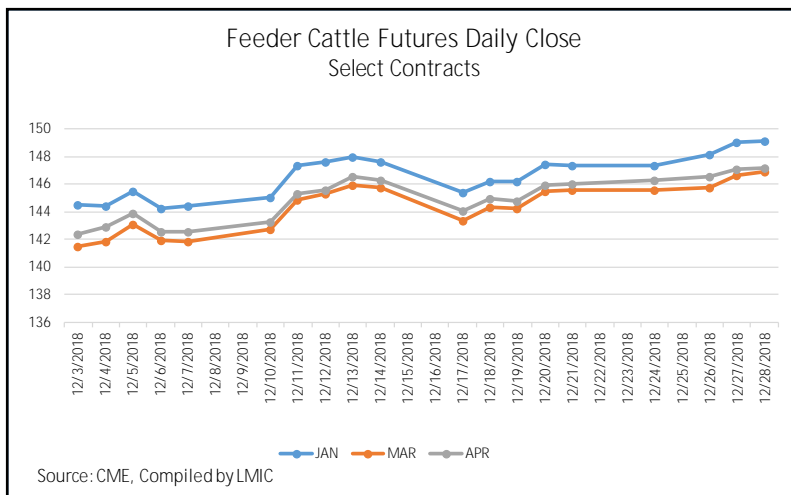
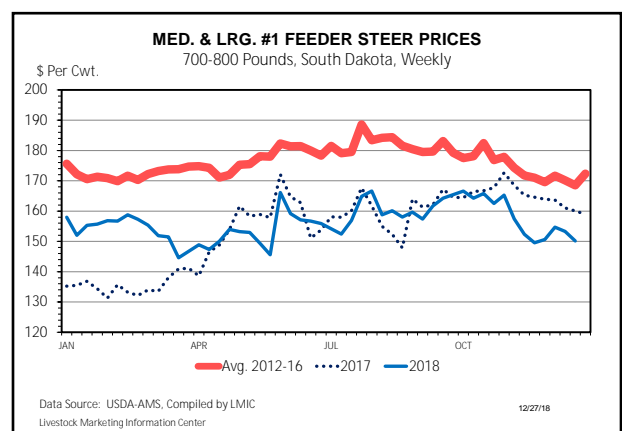
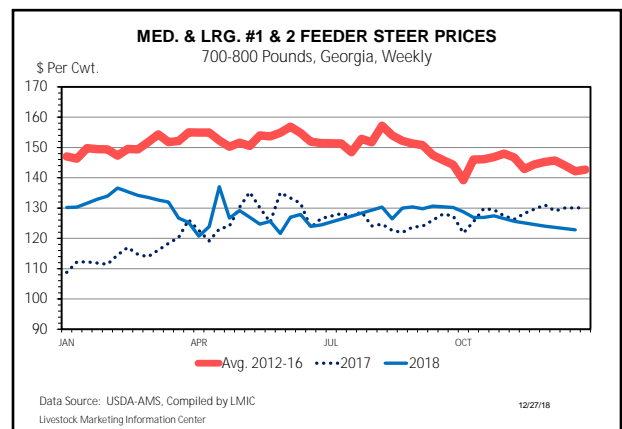
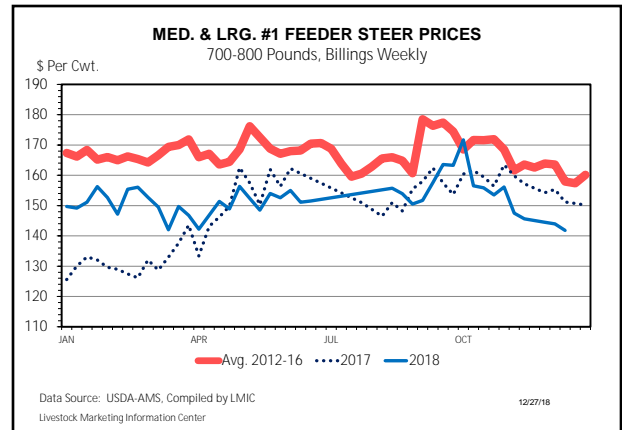


Feeder cattle cash prices have been falling for the last several weeks in major feeder cattle markets for 700 to 800-pound steers. In the month of December, most markets have lost ground, continuing a longer term slide that started near the end of October.

In the last month, Washington prices have slipped \$5.55 per cwt, one of the largest losses noted from various markets. Nebraska 700 to 800-pound feeders fared only slightly better and have dropped \$4.87 per cwt this month since the first week. Montana auction prices are down \$2.69 per cwt, while Georgia feeders are \$1.19 lower. South Dakota saw a boost mid-month but in the latest week of data were closer with the first week of December, down \$0.43 per cwt. Feeders in the same weight group declined \$1.44 in the combined Southern Plains auction this month.

Quite the opposite has been true for the feeder cattle futures market in the month of December. January, March, and April's feeder cattle contracts closed last week on a high note, ending the week with the highest daily close values seen in the month of December. Since the Cattle on Feed report was released on December 20th, the nearby feeder futures contract has climbed \$2.88 per cwt. Similarly, March and April contracts closed Friday \$2.60 and \$2.40 per cwt higher than the December 19th close values.

The futures market points to optimism in the demand for feeder cattle in the first quarter. However, feedlots placed fewer cattle in the last three months than compared to a year earlier, and larger calf crops in 2017 and 2018 suggest there should be plenty of cattle available for placement in the first quarter. Feedlots had a tough year in 2018, which could also limit willingness to pay in 2019 for feeders.



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PRODUCTION & PRICE SUMMARY

Week Ending 12/29/2018

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
		29-Dec-18	22-Dec-18		30-Dec-17			
Beef, Pork, Chicken, & Turkey	Mil Lbs., cwe	1,621	1,969	-17.7%	1,713	-5.3%	96,559	1.5%
C FI Slaughter	Thou. Head	438	659	-33.5%	498	-12.0%	32,440	2.3%
A FI Cow Slaughter **	Thou. Head	NQ	127	N/A	118	N/A	5,817	4.5%
T Avg. Dressed Weight	Lbs.	829	830	-0.1%	840	-1.3%	817	0.1%
T Beef Production	Million Lbs.	362.6	546.0	-33.6%	417.1	-13.1%	26,488	2.5%
L Live Fed Steer Price, 5-Mkt	\$ per cwt	120.25	118.81	1.2%	122.84	-2.1%		
E Dressed Steer Price, 5-Mkt	\$ per cwt	190.00	189.96	0.0%	194.50	-2.3%		
Oklahoma Steer (600-700 lbs)	\$ per cwt	NQ	146.14	N/A	NQ	N/A		
& Choice Beef Cutout	\$ per cwt	215.13	212.71	1.1%	202.35	6.3%		
Hide/Offal	\$ per cwt, live wt	8.87	8.85	0.2%	10.69	-17.0%		
B Rib, Primal, Choice	\$ per cwt	353.33	360.08	-1.9%	308.65	14.5%		
E Round, Primal, Choice	\$ per cwt	176.25	172.33	2.3%	172.17	2.4%		
E Chuck, Primal, Choice	\$ per cwt	177.68	175.60	1.2%	174.87	1.6%		
F Trimmings, 50%, Fresh	\$ per cwt	60.96	54.10	12.7%	57.78	5.5%		
Trimmings, 90%, Fresh	\$ per cwt	196.07	196.36	-0.1%	210.84	-7.0%		
FI Slaughter	Thou. Head	1,884	2,717	-30.7%	2,089	-9.8%	123,265	2.3%
H FI Sow Slaughter **	Thou. Head	NQ	62.4	N/A	64.9	N/A	2,840	-0.5%
O Avg. Dressed Weight	Lbs.	214.0	213.0	0.5%	213.0	0.5%	212	0.3%
G Pork Production	Million Lbs.	402.3	579.6	-30.6%	445.7	-9.7%	26,084	2.6%
S Iowa-S. Minn. Direct	Wtd. Avg.	44.47	44.82	-0.8%	57.57	-22.8%		
& Natl. Base Carcass Price	Wtd. Avg.	NQ	55.67	N/A	62.22	N/A		
Natl. Net Carcass Price	Wtd. Avg.	NQ	57.63	N/A	64.04	N/A		
P Pork Cutout	\$ per cwt	70.51	71.13	-0.9%	77.44	-8.9%		
By-product Value	\$ per cwt, live wt	3.50	3.48	0.6%	3.86	-9.3%		
O Ham, Primal	\$ per cwt	46.99	48.36	-2.8%	55.86	-15.9%		
R Loin, Primal	\$ per cwt	65.58	65.70	-0.2%	74.78	-12.3%		
K Belly, Primal	\$ per cwt	123.70	120.54	2.6%	109.07	13.4%		
Trimmings, 72%, Fresh	\$ per cwt	42.19	44.34	-4.8%	60.06	-29.8%		
C Young Chicken Slaughter *	Million Head	162.4	156.8	3.6%	160.09	1.5%	8,213	-0.2%
H Avg. Weight (RTC)	Lbs.	4.61	4.67	-1.1%	4.68	-1.5%	4.71	0.8%
I Young Chicken Production (RTC)	Million Lbs.	749.4	731.6	2.4%	749.5	0.0%	38,647	0.5%
C Eggs Set (US)	Million	NQ	225.5	N/A	227.5	N/A	11,288	-0.6%
K Chicks Placed (US)	Million Head	NQ	183.3	N/A	185.8	N/A	9,092	-1.2%
E National Composite Whole Bird	Composite	96.21	91.01	5.7%	89.80	7.1%		
N Northeast Breast, B/S	\$ per cwt	96.51	88.43	9.1%	105.81	-8.8%		
Northeast Leg Quarters	\$ per cwt	27.42	29.46	-6.9%	36.46	-24.8%		
T Total Turkey Slaughter *	Million Head	3.99	4.28	-7.0%	3.87	3.1%	212.9	-0.3%
U Avg. Weight (RTC)	Lbs.	26.80	26.22	2.2%	25.94	3.3%	25.08	-0.4%
R Turkey Production (RTC)	Million Lbs.	106.8	112.3	-4.9%	100.3	6.5%	5,339	-0.7%
K National Hen (8-12 Lbs)	\$ per cwt	79.00	73.33	7.7%	79.00	0.0%		
G Corn, Omaha	\$ per Bushel	3.55	3.55	0.0%	3.28	8.2%		
R Distillers Grain, Chicago	\$ per Ton	NQ	155.00	N/A	132.50	N/A		
A Wheat, Kansas City (delivered)	\$ per Bushel	NQ	6.23	N/A	5.30	N/A		
I Soybean, Cntrl IL	\$ per Bushel	8.48	8.74	-2.9%	9.36	-9.4%		
N Soybn Meal 48%, Cntrl IL	\$ per Ton	308.80	309.70	-0.3%	309.30	-0.2%		

* 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).

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