

Daily Livestock Report

E-Livestock Volume	4/17/09	4/16/09	4/10/09
LE (E-Live Cattle):	12,984	11,568	Holiday
GF (E-Feeder Cattle):	1,344	1,881	Holiday
HE (E-Lean Hogs):	6,560	9,531	Holiday

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If ever there has been a neutral USDA Cattle On Feed report, Friday's may be it! USDA's estimates for March placements of cattle into and marketings of cattle from feedlots with capacities of 1000 head and more were exactly the same as the average of analysts' pre-report estimates. USDA's April 1 estimated inventory of 11.152 million head was 4.6% lower than one year ago, only 0.2% different from the average of pre-report estimates. If the pre-report estimates in fact represent the information incorporated into CME Live Cattle futures on Friday, this report will not cause a ripple come Monday morning. That, of course, does not mean something else might cause prices to change but it will be difficult to pin any changes on this report. The key numbers appear below.

The April 1, 2009 inventory is the smallest April figure since 2005 and represents a reduction of 532,000 head from last year's April 1 feedlot population. March placements of 1.802 million head were larger than year-ago levels for only the 5th month since the beginning of '08 — ie. 12 of the past 17 month's placements have been lower than one year earlier. Placement weights rose sharply again in March, gaining nearly 16 pounds to reach 721.1 lbs. per head. February (705.3 lbs.) had been the first month since March 2008 in which placement weights had been lower than one year earlier. Charts for cattle on feed, placements, marketings and average placements weights appear on page 2.

The implications: Continued lower supplies of fed cattle through mid-summer with potential increases in July and August. Continued heavy placements will likely keep market weights high (barring a feed price increase) and, along with the structural changes we noted last week in the grading system, contribute to good availability of Choice grade beef for some time to come.

The size of the slaughter reductions in this week's data table are pretty shocking. Cattle slaughter 10.4% lower than one year ago, hog slaughter 8.5% lower — and both of those numbers represent the week ended April 18 which should not have been impacted much by Easter on April 12. Chicken and turkey slaughter 10.5% and 11.2%, respectively, below last year represent the week BEFORE Easter and thus may well be impacted by reduced plant hours on Good Friday. Regardless — it is unlikely that we have EVER seen a week in which all four species saw slaughter this near to double-digits lower than one year ago. The situation is set up for any little uptick in meat demand to cause a sharp price rally in all four species.

PRODUCTION AND PRICE SUMMARY

		Week Ending 4/18/2009						
Item	Units	Current Week	Last Week	Pct. Change	Last Year	Pct. Change	YTD	Pct. Change
C FI Slaughter	Thou. Head	606	600	1.00%	677	-10.43%	9,388	-5.7%
A FI Beef Cow Slaughter	Thou. Head	54.4	57.3	-5.20%	62.4	-12.90%	848	-3.4%
T Avg. Live Weight	Lbs.	1289	1298	-0.69%	1257	2.55%	1,308	1.9%
T Avg. Dressed Weight	Lbs.	791	787	0.51%	772	2.55%	789	1.9%
L Beef Production	Million Lbs.	476.6	473.1	0.74%	515	-7.46%	7,384	-3.8%
E Live Fed Steer	\$/cwt live wt.	88.91	86.01	3.40%	90.00	-1.20%		
Dressed Steer	\$/cwt carcass	142.21	137.26	3.60%	145.94	-2.60%		
OKC Feeder Steer	600-700 Lbs.	105.86	107.72	-1.73%	104.33	2.46%		
Beef Cutout	600-750 Choice	145.37	137.72	5.60%	149.03	-2.50%		
Hide/Offal	\$/cwt live wt.	5.95	5.93	3.40%	10.70	-44.40%		
H FI Slaughter	Thou. Head	2122	2129	-0.33%	2320	-8.53%	33,831	-5.4%
O FI Sow Slaughter	Thou. Head	61.1	61.1	0.00%	72.2	-15.34%	843	-9.8%
G Avg. Dressed Weight	Lbs.	204	204	0.00%	203	0.49%	204	0.3%
S Pork Production	Million Lbs.	433.3	434.9	-0.37%	468.7	-7.55%	6,908	-5.1%
Iowa-S. Minn. Direct	Avg.	56.49	55.66	1.50%	62.40	-9.50%		
Natl. Base Carcass Price	Weighted Avg.	57.87	56.97	1.60%	60.95	-5.10%		
Natl. Net Carcass Price	Weighted Avg.	59.95	59.14	1.40%	63.33	-5.30%		
Pork Cutout	185 Lbs.	60.94	57.87	5.30%	66.56	-8.40%		
C Young Chicken Slaughter*	Million Head	148.48	153.91	-3.53%	165.98	-10.54%	2,163	-6.3%
H Avg. Weight	Lbs.	5.49	5.49	0.00%	5.57	-1.44%	5.5	-0.6%
I Chicken Production	Million Lbs.	815.17	844.99	-3.53%	924.49	-11.82%	8,840	-6.8%
C Eggs Set	Million	202.35	203.55	-0.59%	215.93	-6.29%	3,036	-6.9%
K Chicks Placed	Million Head	166.88	168.93	-1.21%	177.61	-6.04%	2,514	-6.1%
E 12-City Broiler	Composite	76.33	76.3	0.00%	78.78	-3.10%		
N Georgia Dock Broiler	2.5-3 Lbs.	84.69	84.84	-0.20%	80.01	5.80%		
T Young Turkey Slaughter*	Million Head	4.06	4.53	-10.52%	4.57	-11.15%	63.0	-4.3%
U Avg. Weight	Lbs.	29.53	29.16	1.27%	29.67	-0.47%	29.8	-0.5%
R Turkey Production	Million Lbs.	119.8	132.2	-9.39%	135.5	-11.57%	1,497	-4.4%
K Eastern Region Hen	8-16 Lbs.	76.00	76.00	0.00%	87	-12.60%		
F Com, Omaha	\$ per Bushel	3.67	3.79	-3.20%	5.68	-35.40%		
E DDGS, Minnesota	\$ per ton	120.00	122.50	-2.04%	160.00	-25.00%		
E Wheat, Kansas City	\$ per Bushel	5.39	5.41	-0.40%	8.95	-39.80%		
D Soybeans, S. Iowa	\$ per Bushel	NQ	10.03	NA	13.12	NA		
SB Meal, 48% Central Illinois	\$ per Ton	335.90	317.20	5.90%	335.00	0.30%		

* Chicken & turkey slaughter & production are 1 week earlier than the date at the top of this table. Cow & sow slaughter are for 2 weeks earlier.

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USDA Cattle on Feed Report Summary --- April 2009

	Number (Thou. Hd)		2009 as Pct. of 2008		
	2008	2009	Actual	Pre-Report Est.*	Difference
Cattle On Feed, April 1	11,684	11,152	95.4	95.6	-0.2
March Placements	1,736	1,802	103.8	103.8	0.0
March Marketings	1,842	1,828	99.2	99.2	0.0

*Dow Jones Newswire

Source: USDA NASS

Figure 1

CATTLE ON FEED

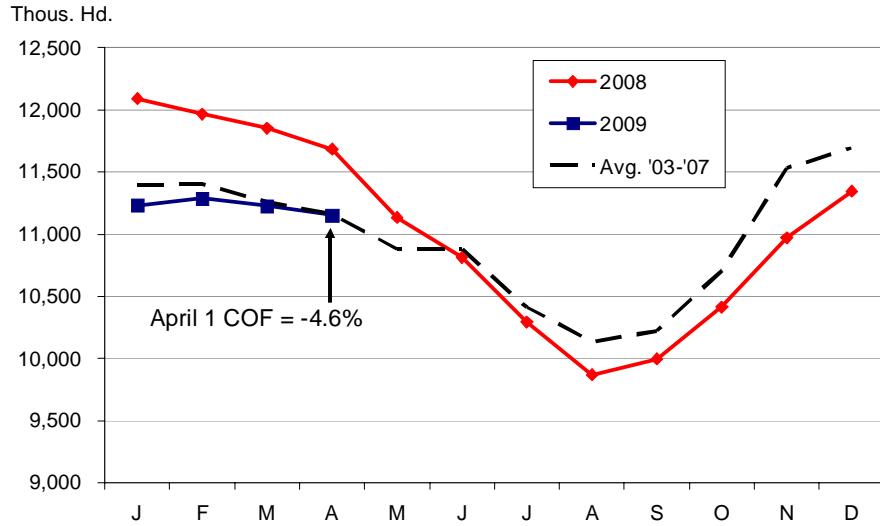


Figure 2

FEEDLOT PLACEMENTS

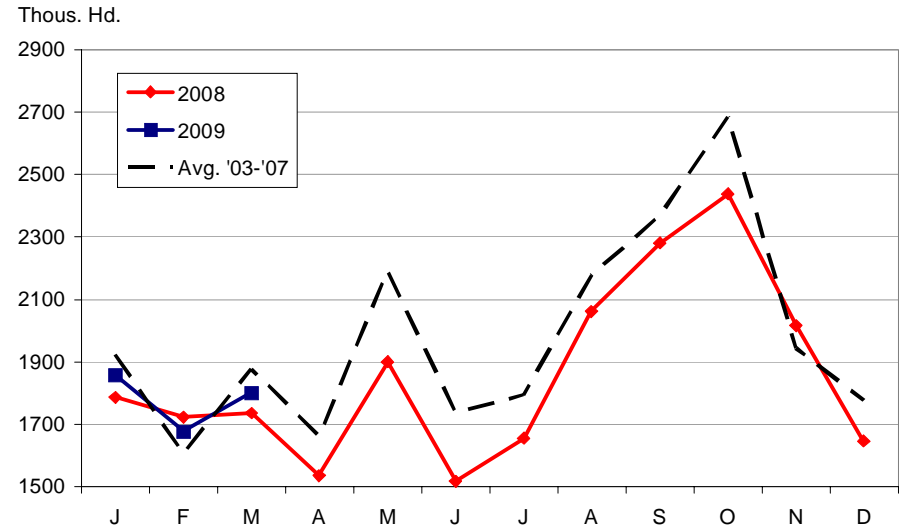
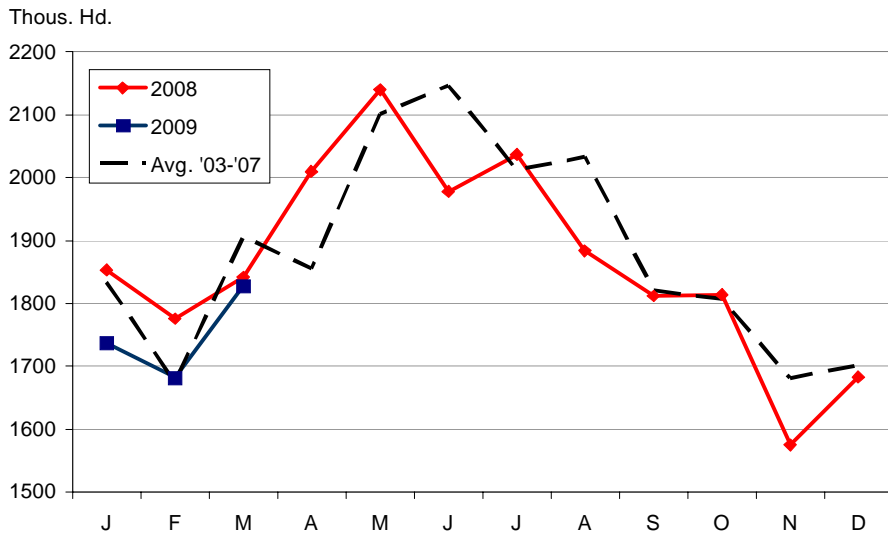


Figure 3

FEEDLOT MARKETINGS



COF AVERAGE PLACEMENT WEIGHT

