

THE MIDWEST

As one source commented, "If you like gambling, here's your game!" Everyone is watching the short-term fats closely. We had a lighter run of cattle this week, but overall good sales. Producers have come out on the winning side so much lately that folks are rebuilding vigor. However, some are worried about the summer and fall months. Everyone is especially nervous for the feeders and cow-calf producers - when will the rally top? Calving season is moving along, and we know there will be a good calf run in the fall. It will be critical to market your calves effectively this year.

NUMBERS: The market established itself on Thursday this week, which is a change from waiting until the last minute on Friday to trade. Overall, prices have been about a dollar higher. Bigger and heavier cattle were a little stronger this week. Five-weight steers were \$1.50 to \$1.60. Six-weight steers were \$1.40 to \$1.45. Fats saw prices of \$125 in the Plains and \$126 to \$127 in other places. The market reached its high in Nebraska at \$127 to \$128, though we did see up to \$130 in some parts of Iowa. The Fed Cattle Exchange jump-started these prices. The boxed beef rally has done wonders for the market this week - up \$15 to \$20 from its low. As we move into the summer months, the increase of backyard grilling will help keep boxed beef prices strong. Hopefully, these higher prices will inspire packers to maintain a consistent kill schedule. Exports are about 20% ahead of last year at this time.

TRENDS: Right now, the futures board has a "show-me attitude". They went up on Wednesday, sold off a touch, and now are back up again. The goal needs to be spreading the cattle out more so that we get the most out of the board prices. And once again this week, no one is stepping up to own the market.

THE WEST

Winter is still strong throughout the West, especially in the Pacific Northwest region. Packers are being aggressive this week, but it's a good balance - both feeders and packers are making money. On the Fed Cattle Exchange this week, 2,000 head were offered, but only 500 head were sold. An interesting trend to keep an eye on in the weeks ahead.

NUMBERS: Compared to last week, steer and heifer calves traded steady on comparable trades. Yearling heifers traded steady to \$2 higher, with yearling steers trading steady. Grass-fed cattle were once again met with high demand.

THE SOUTH

Spring is starting to pop up all over the South, raising morale and creating more positive attitudes. The additional moisture and decent temperatures have helped grow grass. Most Southerners calve in the fall; last year's crop is looking good and growing well. We saw a surprising jump in the markets this week. The shorter run may have helped prices, but overall, this week was a win for producers.

NUMBERS: Steer calves were \$2 to \$12 better this week, while heifer calves jumped up nearly \$2 to \$15 this week. Bulls were \$1 to \$6 higher. Five-weight steers sold for \$1.38 to \$1.50.

TRENDS: One source commented, "Everyone seems to think that someone 'knows more than we do' about current market trends. The fact of the matter is - the market prices, supply numbers, and futures just don't connect."