

## THE MIDWEST

A little moisture and moderate temperatures makes for a good calving season and happy people. Folks are getting anxious for summer – the cattle that typically wouldn't have moved until March and April are already gone. That's okay for now, but could be a problem in the long term. This early movement will put pressure on the fat cattle market come August and September. The prices we are seeing today are just sure signs that we are in tight supply for fat cattle. Both formula cattle and forward contracted cattle are down. Bigger cattle went a little softer this week.

NUMBERS: Cash prices were all around \$3 to \$4 higher this week. Dressed cattle went for \$200 to \$202, which is a significant increase over last week's \$196. In Kansas, we saw prices of \$125. In other states, that number averaged more around \$126. The market stayed steady following this week's Fed Cattle Exchange; which, as one source put it, is a little disappointing. The market could have brought \$1 to \$2 higher this week. The market for yearlings and lighter weight cattle is steady to stronger. Five-weight calves were at \$1.50 to \$1.60. Six-weight calves were at \$1.45 to \$1.50. Boxed beef is trading extremely well this week, which is a pleasant surprise because it normally doesn't move this well at this time of the year. April futures are \$8 below the cash market; it's concerning that the board isn't reflecting the market rally. As one source shared, "The cash market and the futures board need to consolidate to be fair to the cattleman."

TRENDS: We are seeing some of the lowest prices at the wholesale level, which is good because we are moving more and more. We are enjoying a great run right now, but nobody is stepping out and fully owning this market.

### THE WEST

Compared to how things have shaken out lately, it's a good time to be a feeder and the packer isn't doing too bad either. With the feeders making money and the packers making money, morale is high in sale barns across the West. A lot of folks are selling cattle 30 to 40 days out right now. Light cattle are in high demand, bigger cattle aren't as hot. The cattle sold this week have only been on feed for 90 to 100 days, which is much better than how feeders were faring this past fall. This is better for both the packer and the feeder - the feeder isn't having to keep cattle on for the full 160 days and the packer isn't griping about cattle being too big.

**NUMBERS:** Compared to last week, steer and heifer calves traded \$3 to \$9 higher, while yearling steers and heifers traded steady to \$3 higher. A lot of calves coming through the sale this week were displayed with good condition and high quality. Grass cattle showed high demand from buyers.

**TRENDS:** The Cattle on Feed Report suggests we will have a tough summer and fall. We also expect the drop-off to come around the 10th of May or a little sooner. But remember, that's only a seasonal trend.

### THE SOUTH

Warmer weather is allowing for good grass to crop up. Folks are carefully watching the market week to week. They like what they see in the cash market, but believe that it's not being represented accurately on the futures board.

**NUMBERS:** All around, the market was good again this week. Steers were \$1 to \$8 higher this week, while heifers were firm to \$2 higher. Five-weight steers were at \$1.50, seven-weight steers were at \$1.26, and eight-weight steers were at \$1.19. Heifers back 12 cents in all cases. Slaughter cattle are up. Stocker cows are up. Calves and yearlings are in hot demand.