
Livestock Market Comments

Looks Like I'm Still "Out There" April Cattle on Feed Pre-Report Thoughts

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USDA will release the April Cattle on Feed Report on the 21st. (These reports seem to happen faster and faster. It can't have been a month since the last one.) I suspect that I am "out there" again this month, so let's take a look at my notes prior to this report.

Marketings

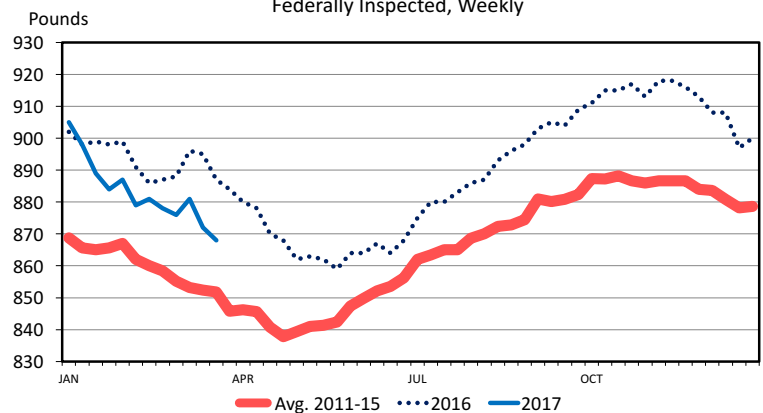
With the same number of slaughter days this March as last March, marketings should be up about 9.4 percent. This would be the largest marketings since 2011 when 1.98 million head were sold. There continues to be tremendous demand for fed cattle by packers. The rapid pace of marketings has resulted in sharply reduced fed cattle weights.

Placements

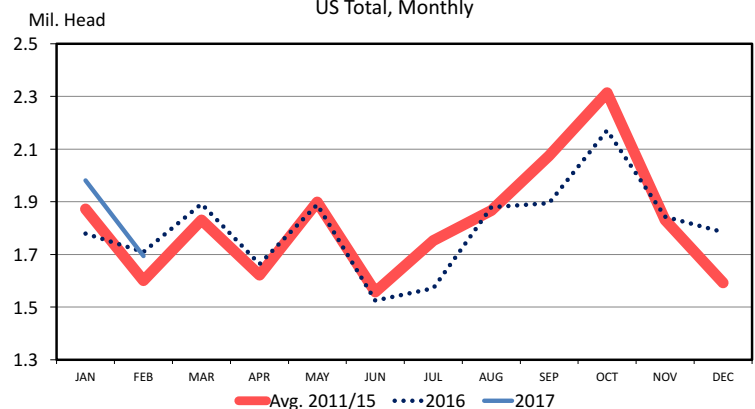
I have placements up 9.5 percent from last March. There will be another wide range in placement estimates this month. Several items argue for more placements than last year: about 22,000 more head from Mexico, profitable closeouts and placement opportunities, and larger cattle inventory.

There are several good arguments for placements below my estimate. Placements at my estimate would be record large for March. They would also be very large as a percent of marketings. There is not a lot of anecdotal information about large movements of cattle to feedlots.

STEER DRESSED WEIGHT
Federally Inspected, Weekly



FEEDLOT PLACEMENTS
US Total, Monthly



Data Source: USDA-NASS
Livestock Marketing Information Center

Cattle on Feed

My estimates for placements and marketings would result in cattle on feed of only 100.2 percent of a year ago. A smaller placement number would leave even fewer cattle on feed than last year at this time. That sets up this report to have some interesting implications for the rest of the year. One result would be relatively tight supplies of cattle heading into early summer which should support prices. Most analysts expect that larger supplies of calves and feeders are out in the country. If they begin to come to market in May then they will finish in the early Fall and could lead to a surge of fed cattle at that time.

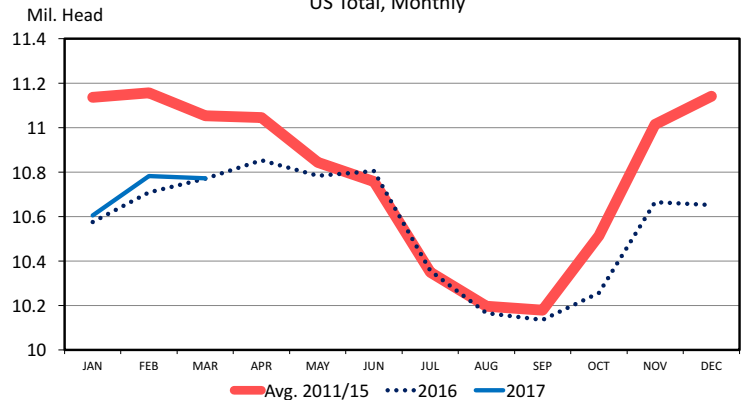
Odds and Ends

April's cattle on feed report will include quarterly estimates of steers and heifers on feed. The number of heifers on feed will be of greatest interest in those numbers. Heifer slaughter has been up sharply in recent weeks. Some cash cattle traded at as much as \$128 this week, up \$2 from last week. Maybe the rally caps are working.

Feeder cattle on the Board look very good. There is an opportunity to protect prices this Fall.

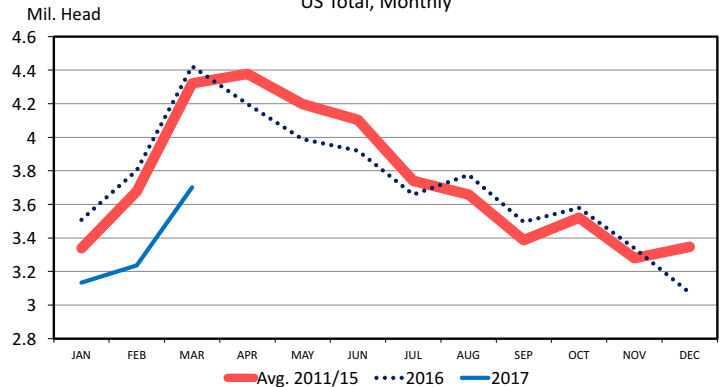
Have a Blessed Easter weekend!

CATTLE ON FEED
US Total, Monthly



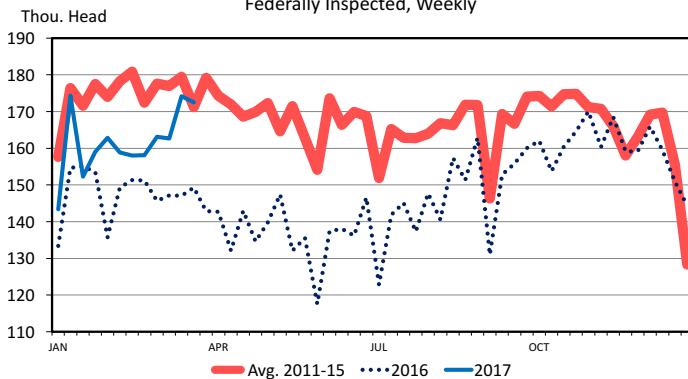
Data Source: USDA-NASS
Livestock Marketing Information Center

CATTLE ON FEED OVER 120 DAYS
US Total, Monthly



Data Source: USDA-NASS, Compiled by
LMIC
Livestock Marketing Information Center

HEIFER SLAUGHTER
Federally Inspected, Weekly



Data Source: USDA-AMS & USDA-NASS
Livestock Marketing Information Center