

National Feeder Cattle Weekly Review

St. Joseph, Mo.
January 10, 2003

Report Supplied By USDA

NATIONAL FEEDER & STOCKER SUMMARY for week ending Jan. 10, 2003. Total Receipts: 512,200, last week 84,600. Direct 75,000; last week 34,200. Video/Internet 1,400, last week 21,100. Auctions 435,800, last week 29,300. This weeks reported auction volume included 48 percent over 600 lb and 42 percent heifers.

Feeder and stocker cattle marketing was very active this past week, following the long holiday break. Price comparisons were difficult after a nearly three week hiatus, but in general most feeder markets were slightly higher this week than they were before Christmas. However, for those few areas that had auction or direct sales last week, this weeks prices trended lower especially on yearling feeder cattle. Receipts were very heavy this past week, especially in the Northern Plains where many livestock auctions held special sales to kick off the New Year. North and South Dakota reported over 86,000 head of feeders in the auctions covered by the Federal-State Livestock Market News Service.

Stock Show Specials are increasing the auction receipts in Colorado, where the livestock industry celebrates the National Western. The biggest of these will be Superior Videos Bellringer which is expecting around 125,000 head and scheduled for January 15-17 in Denver. Unseasonably warm weather swept across the mid-section of the country this week, setting record temperatures in Kansas City, Des Moines, and Minneapolis.

Northern feedlot areas have been spared by winter storms this year and the outstanding performance should help pull some heavier numbers of finished cattle forward and out of the glut of early summer numbers. Feedlots would like to put their entire yard on the showlist, as prices advanced 2.00-3.00 live and mostly 5.00 dressed this week to close at mostly 78.00 and 123.00-124.00. Cattle feeders have their hearts set on 80.00 for next week and a continuing strong dressed beef market should make this a reality.

This fat cattle market rally lends little support to the feeder market, as finished prices are expected to take a sharp decline by the time today's feeders are ready for slaughter. June CME Live Cattle contracts are more than 8.00 behind April. But for now, fat cattle prices are still advancing and you can bet that cattle feeders will kick this horse until its dead.

National Carlot Meat Report

Des Moines, IA
January 14, 2003

Report Supplied By USDA

USDA Market News USDA Carlot Meat 4:00 Summary: Compared to Previous Day, Prices in Dollars per hundred-weight, Equated to FOB Omaha Basis.

BOXED BEEF CUTS: Boxed beef sharply higher on moderate demand and light offerings. Select and Choice rib, chuck, round, and loin cuts higher. Beef trimmings higher on moderate demand and light offerings.

Estimated composite cutout value of Choice 1-3, 600-750 lbs carcasses up 3.18 at 133.74, 750-900 lbs up 3.48 at 133.21; Select 1-3, 600-750 lbs up 2.47 at 128.62, 750-900 lbs up 2.13 at 128.35; based on 150.46 loads of Choice cuts, 114.31 loads of Select cuts, 26.81 loads of trimmings, and 73.03 loads of coarse ground trimmings.

Estimated carcass price equivalent value of Choice 1-3, 600-750 lbs up 1.61 at 121.13, 750-900 lbs up 1.83 at 120.74; Select 1-3, 600-750 lbs up 1.26 at 115.10, 750-900 lbs up 1.04 at 114.92. Current index reflects the equivalent of 380,269 head of cattle.

NATIONAL 5 DAY-ROLLING CUTTER COW CUTOFF: The Cutter cow carcass gross cutout value was estimated at 88.17 up .17.

By-Product Drop Value: Hide and offal from a typical slaughter steer was estimated at 7.90 unchanged.

NATIONAL CARLOT PORK: Sales reported on 87.13 loads of pork cuts and 18.0 loads of trim/process pork. Compared to Monday's close: Fresh bone-in loins steady to 2.00 higher; boston butts firm; sknd. hams 17-20 lbs. 2.00 higher, 20-23 lbs. mostly steady, 23-27 lbs. steady; sds. bellies steady; lean trimmings steady to 1.00 higher. Trading moderate, with mostly moderate demand and light to moderate offerings.

Calculations for a 185 lb Pork Carcass 51-52 percent lean 0.80" back fat at last rib — 53.90 up .57. Loins bone in fresh 1/4 inch trim 21 lb/down-light 89.00-94.00. Hams bone in trimmed, 17-20 lbs trim spec 1 47.00; 20-23 lbs trim spec 1 44.00-45.00. Seedless bellies 12-14 lbs 79.00; 14-16 lbs 79.00; 16-18 lbs 76.00.

CARLOT LAMB CARCASS: 2,408 head reported. 30/dn 317.00-317.00; 40-45 lb 165.00-165.00; 45-50 lb 162.00-166.00; 50-55 lb 162.00-167.00; 55-60 lb 164.50-167.00; 60-65 lb 162.00-167.00; 65-75 lb 162.00-166.00; 75-85 lb 162.00-166.00; 85/up lb 165.00-165.00.

Direct Slaughter Cattle Daily Market Review

St. Joseph, Mo.
January 15, 2003

Report Supplied By USDA

National Slaughter Cattle Review as of 2 p.m.: Trading in the Southern Plains turned active late Wednesday morning with moderate trade activity in the North. Slaughter cattle demand was good but began to dissipate as procurement needs were met. Live sales were at mostly 80.00 trending 2.00 higher than the bulk of last week sales. Early dressed sales were at mostly 125.00 which is 1.00 to 3.00 higher than a week ago.

NEGOTIATED: PRICES PAID for Domestic Slaughter Steers and Heifers (Information derived from the 5 area weighted average):

LIVE BASIS: STEERS: Over 80% Choice 77.00-80.00 avg 78.70; 65-80% Choice 75.75-80.50 avg 78.68; 35-65% Choice 78.00-80.00 avg 79.90; under 35% Choice 79.00-80.00 avg 79.91. Total all grades 75.75-80.50 avg 79.78. **HEIFERS:** Over 80% Choice 77.25-80.00 avg 78.99; 65-80% Choice 78.50-80.00 avg 79.52; 35-65% Choice 79.00-80.00 avg 79.84. Total all grades: 77.25-80.00 avg 79.77.

DRESSED BASIS: STEERS: Over 80% Choice 125.00-125.00 avg 125.03; 65-80% Choice 123.00-125.00 avg 124.71; 35-65% Choice 125.00-125.00 avg 125.00. Total all grades 123.00-125.00 avg 124.88. **HEIFERS:** Over 80% Choice 125.00-125.00 avg 125.00; 65-80% Choice 123.00-125.00 avg 124.59; 35-65% Choice 124.00-125.00 avg 124.99. Total all grades 123.00-125.00 avg 124.80.

Weekly Meat Production Under Federal Inspection

WASHINGTON, D.C., Jan. 10 - (USDA-NASS) - Total red meat production under federal inspection for the week ending Saturday, Jan. 11, was estimated at 894 0 million lbs., according to the USDA's Agricultural Marketing Service. This was 14.9% higher than a week ago and 2.5% lower than a year ago. Cumulative meat production for the year to date was 12.4% lower compared to the previous year.

MEAT PRODUCTION (million pounds) (excludes condemned)

| Week Ending (1) | Beef | Calf/Veal | Pork (2) | Lamb/Mutton | Totals (3) |
|-----------------|----------|-----------|----------|-------------|------------|
| 11-Jan-03 | 503 0 | 4.1 | 383 1 | 3.8 | 894.0 |
| 04-Jan-03 | 424 0 | 3.3 | 347 9 | 3 1 | 778.3 |
| Change | up 18 6% | up 24 2% | up 10.1% | up 22 6% | up 14.9% |
| 12-Jan-02 | 516 8 | 3 8 | 392 0 | 4 0 | 916.6 |
| Change | dn 2 7% | up 7 9% | Dn 2 3% | dn 5 0% | dn 2.5% |
| 2003 YTD | 755 0 | 5 8 | 583 6 | 5 4 | 1349 8 |
| 2002 YTD | 883 7 | 6 4 | 643.2 | 6 7 | 1540.0 |
| Change | dn 14 6% | dn 9 0% | dn 9 3% | dn 19 9% | dn 12 4% |

1- Previous week estimates may be revised. Year ago data are actuals
2- Excludes lard.

3- Totals may not add due to rounding. 2002 totals are subject to revision.

LIVESTOCK SLAUGHTER (head)

| Week Ending | Cattle | Calves/Vealers | Hogs | Sheep/Lambs |
|-------------|-----------|----------------|-----------|-------------|
| 11-Jan-03 | 658,000 | 22,000 | 1,935,000 | 56,000 |
| 04-Jan-03 | 557,000 | 18,000 | 1,747,000 | 45,000 |
| Change | up 18 1% | up 22 2% | up 10.8% | up 24.4% |
| 12-Jan-02 | 678,000 | 20,000 | 1,971,000 | 57,000 |
| Change | dn 2.9% | up 10.0% | dn 1.8% | dn 1.8% |
| 2003 YTD | 989,000 | 31,000 | 2,942,000 | 80,000 |
| 2002 YTD | 1,157,000 | 33,000 | 3,236,000 | 96,000 |
| Change | dn 14.5% | dn 7 3% | dn 9.1% | dn 16.5% |

AVERAGE WEIGHTS (lbs.)

| Week Ending | LIVE | Cattle | Calves/Vealers | Hogs | Sheep/Lamb |
|-------------|----------|--------|----------------|------|------------|
| 11-Jan-03 | Estimate | 1270 | 310 | 268 | 136 |
| 04-Jan-03 | Estimate | 1267 | 304 | 269 | 137 |
| 12-Jan-02 | Actual | 1265 | 320 | 269 | 142 |
| | DRESSED: | | | | |
| 11-Jan-03 | Estimate | 768 | 190 | 199 | 69 |
| 04-Jan-03 | Estimate | 765 | 187 | 200 | 69 |
| 12-Jan-02 | Actual | 766 | 197 | 200 | 70 |

PERCENTAGE OF TOTAL SLAUGHTERED BY CLASS

| Wk Ending | CATTLE | | | | HOGS | | |
|-----------|--------|---------|-------|-------------|---------------|------|-------------|
| | Steers | Heifers | Cows | Bulls/Stags | Barrows/Gilts | Sows | Boars/Stags |
| 28-Dec-02 | 50.4% | 32.3% | 16.1% | 1.2% | 97.3% | 2.6% | 0.2% |
| 29-Dec-01 | 51.4% | 31.4% | 16.0% | 1.3% | 97.1% | 2.7% | 0.2% |

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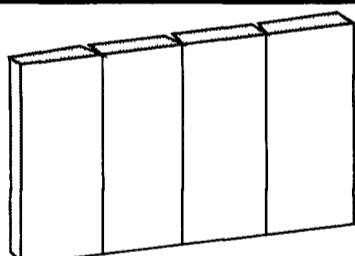
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