



IN THE CATTLE MARKETS



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TEXAS A&M AGRILIFE EXTENSION

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Climbing Calf Prices

Calf and feeder cattle prices have jumped higher over the last few weeks. Several factors are working together to boost prices including rain, fewer calves for sale, and maybe even the impact of import restrictions on Mexican cattle due to screwworm regulations.

Lighter weight, 400-500 pound, calf prices have jumped about \$30 per cwt in the Southern Plains over the last month. Heavier 500-600 pound steers are up around \$20 per cwt and 700-800 pound feeders are up about \$80 per cwt over the same period in the Southern Plains. Seasonal lows in the calf market are in the rearview mirror for 2024. Calf prices do tend to increase, seasonally, in the late Fall.

Recent rains have boosted stocker prices. The drought monitor map indicates some significant improvement across wheat pasture country. Maybe better late than never. The rains have boosted prospects for late pasture grazing and likely boosted supplies of pond and tank water that had run short.

It appears that fewer calves are hitting markets cutting into available supplies. Over the last month, fewer cattle have been reported in USDA's weekly market receipts data, the daily CME feeder cattle index, and in local markets around the country. This follows some larger runs earlier in the season. So, tighter supplies are hitting some rain boosted stocker demand.

We might wonder if import restrictions are impacting calf prices. It's a little early to say because restrictions were only imposed last week and we don't have the weekly import data for the holiday shortened week yet. Restrictions might have impacted the feeder cattle futures market but it's likely too early to quantify in local auction markets. Price impacts will depend on how long import delays last.

On balance, rain and supplies are some fundamental factors at work in boosting calf prices. Those positive factors are offsetting the impact of some increasing corn prices which work to reduce feeder prices. Even tighter supplies will continue to boost calf prices in the new year.

The Markets

While rain has boosted conditions in parts of the Southern Plains the drought monitor map continues to highlight areas of concern around the country. The Choice boxed beef cutout gains some ground, up to \$310.77 last week from \$307.33 the week before, further boosting the Choice-Select spread.

		Week of 11/29/24	Week of 11/22/24	Week of 12/1/23
5-Area Fed Steer	all grades, live weight, \$/cwt	\$189.97	\$186.39	\$174.45
	all grades, dressed weight, \$/cwt	\$296.64	\$291.56	\$274.59
Boxed Beef	Choice Value, 600-900 lb., \$/cwt	\$310.77	\$307.33	\$297.79
	Choice-Select Spread, \$/cwt	\$36.31	\$34.66	\$32.09
700-800 lb. Feeder Steer	Montana 3-market, \$/cwt	--	\$263.76	\$225.65
	Nebraska 7-market, \$/cwt	\$293.78	\$275.63	\$239.75
	Oklahoma 8-market, \$/cwt	\$257.50	\$257.88	\$224.63
500-600 lb. Feeder Steer	Montana 3-market, \$/cwt	\$338.73	\$326.46	\$274.65
	Nebraska 7-market, \$/cwt	\$347.75	\$324.55	\$282.17
	Oklahoma 8-market, \$/cwt	\$319.01	\$306.75	\$283.59
Feed Grains	Corn, Omaha, NE, \$/bu (Thursday)	\$4.20	\$4.27	\$4.71
	DDGS, Nebraska, \$/ton	--	\$161.00	\$227.00

Data Source: USDA-AMS Market News as compiled by LMIC

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