



# IN THE CATTLE MARKETS



February 2, 2026

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**SOUTH DAKOTA STATE  
UNIVERSITY EXTENSION**

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## Cattle Inventory Changes

Some clarity was provided in the Cattle report released last week by USDA-NASS. A handful of analysts were expecting a slight decline in total inventory levels. The all cattle inventory of 86.2 million head was down slightly from a year earlier. The 2025 levels were also revised slightly lower. However, the changes in the different classes or categories give insights into how different sectors are responding to profitability.

The number of beef cows was down slightly compared to last year. In contrast, the number of dairy cows was sharply higher. Consistent with subtle hints of expansion this past year, solid replacement prices and a stable heifer mix on feed, the number of beef replacement heifers is up slightly. On the dairy side, the number of replacements was

unchanged. The small number of beef replacements suggests that 2027 would be the next time to have expansion.

There are fewer other heifers, fewer steers, and fewer calves than a year ago. With a sharply lower on-feed total, the number of feeder cattle outside of feedlots is up slightly. The slight increase has not been enough to dampen prices for calves in recent months. The mix of cattle on feed in large feedlots is up slightly. There was a large increase in cattle grazing wheat pastures, which would result in larger framed feeders entering feedlots and facilitate higher eventual slaughter weights.

The calf crop, at 32.9 million head, is down much more on an absolute level than cow numbers. With high calf prices expected to continue in 2026, the implied calf crop would be expected to be higher than observed last year. That disparity is surprising, but many factors go into the calf crop. Nothing was evident at the state level to potentially explain why either.

At the state level, many changes were concentrated in a few states with large inventory levels. The total was steady in Texas and California. Texas had a large increase in beef replacements, but a relatively smaller calf crop, and a sharply lower number of cattle on feed. Kansas had fewer cattle, fewer beef cows, fewer heifers, and a smaller calf crop. Missouri had fewer beef cows. South Dakota had a lower calf crop. Nebraska had an increase in cattle on feed.

## **The Markets**

The cash market was sharply higher for fed cattle and for boxed beef last week. The futures for live cattle and feeder cattle were steady for the week. Cash prices for feeders were sharply higher for heavy weights and slightly lower for lighter weights. Cash corn was slightly higher for the week.

		<b>Week of 1/30/26</b>	<b>Week of 1/23/26</b>	<b>Week of 1/31/25</b>
<b>5-Area Fed Steer</b>	all grades, live weight, \$/cwt	\$239.44	\$234.70	\$209.57
	all grades, dressed weight, \$/cwt	\$376.16	\$368.80	\$329.07
<b>Boxed Beef</b>	Choice Value, 600-900 lb., \$/cwt	\$367.99	\$366.31	\$329.65
	Choice-Select Spread, \$/cwt	\$4.29	\$4.97	\$10.42
<b>700-800 lb. Feeder Steer</b>	Montana 3-market, \$/cwt	\$401.50	\$389.48	\$296.70
	Nebraska 7-market, \$/cwt	\$393.51	\$381.51	\$300.15
	Oklahoma 8-market, \$/cwt	\$387.24	\$368.49	\$284.49
<b>500-600 lb. Feeder Steer</b>	Montana 3-market, \$/cwt	\$497.77	\$495.02	\$372.47
	Nebraska 7-market, \$/cwt	\$502.17	\$510.60	\$374.26
	Oklahoma 8-market, \$/cwt	\$454.57	\$474.03	\$351.39
<b>Feed Grains</b>	Corn, Omaha, NE, \$/bu (Thursday)	\$4.19	\$4.11	\$4.72
	DDGS, Nebraska, \$/ton	\$163.50	\$163.93	\$170.00

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

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