



IN THE CATTLE MARKETS



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K-STATE Research and Extension

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Feedlot Margins - Ongoing Monitoring and Pencil Sharpening are Warranted

recirculation on April 21, 2026, given update to calculations

As 2026 continues to progress, it is useful to pause and assess margins in the beef-cattle industry. Recently, the [KSU Cattle Feeding Returns](#) estimates were updated, providing the latest insight into margin patterns in the feedlot sector. Upon release yesterday, an internal error, which Glynn Tonsor is correcting here in feeder cattle purchase price aspects, was discovered and fixed today, leading to this ICM being re-circulated.

One key point to highlight upfront is that the vertical axis on all eight regularly published figures has had to be re-specified (widened) multiple times over the past two years.

That is, the underlying cattle prices, implied breakeven values, and margin estimates have increased notably and would be “off the charts” if the chart formatting were not adjusted.

As of April 16th, projected margins remain positive for the April – July period. That is, market-ready fed steers and heifers slated to leave KS feedlots by July are projected currently to sell at sufficiently high prices, relative to costs of gain and earlier purchase of feeder cattle, that per head margins may remain positive. This, of course, is a projection, and readers here understand there are no dull days here in 2026. One is only a surprise announcement or development away from an adjustment that could notably alter how these projections align with realized outcomes.

While the above, on balance, is a favorable summary of feedlot margins, some reminders and caveats are warranted. First, this series presumes an all-cash, no price risk management approach, leading to both projected highs and projected lows exceeding what is realized by parties regularly implementing price-mitigation strategies. Second, any producer selling cattle using mechanisms that generate additional price premiums should keep both that higher revenue and any associated higher production costs in mind when translating this barometer of sector patterns to their situation. Finally, this series is built on a per-head, easy-to-follow framework that effectively ignores the realities of operating feedlots at partial or below full capacity. This point is particularly important as operations with empty pens would have net business margins that, once put on a per-head basis, are below what this series portrays.

Ultimately, as 2026 continues, a key suggestion for feedlot operations is to “continue sharpening the pencil.” While there are multiple sources of positive margin support for the sector in recent years and early in 2026, how this aligns with each specific operation varies, and hopefully, resources such as the KSU Cattle Feeding Returns barometer motivate ongoing assessment, reflection, and ultimately improved management.

The Markets

		Week of 4/17/26	Week of 4/10/26	Week of 4/18/25
5-Area Fed Steer	all grades, live weight, \$/cwt	\$248.02	\$248.38	\$211.63
	all grades, dressed weight, \$/cwt	\$388.14	\$388.44	\$336.81
Boxed Beef	Choice Value, 600-900 lb., \$/cwt	\$381.95	\$382.49	\$333.80
	Choice-Select Spread, \$/cwt	\$2.53	(\$1.49)	\$18.32
700-800 lb. Feeder Steer	Montana 3-market, \$/cwt	\$407.78	\$412.36	\$313.06
	Nebraska 7-market, \$/cwt	\$410.32	\$415.15	\$319.90
	Oklahoma 8-market, \$/cwt	\$393.40	\$389.32	\$302.53
500-600 lb. Feeder Steer	Montana 3-market, \$/cwt	\$511.32	\$492.00	\$381.37
	Nebraska 7-market, \$/cwt	\$506.35	\$525.88	\$390.95
	Oklahoma 8-market, \$/cwt	\$500.74	\$500.26	\$376.11
Feed Grains	Corn, Omaha, NE, \$/bu (Thursday)	\$4.35	\$4.28	\$4.75
	DDGS, Nebraska, \$/ton	\$185.83	\$182.50	\$156.60

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

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