



IN THE CATTLE MARKETS



June 15, 2026

[Click here to subscribe](#)



**COLORADO STATE UNIVERSITY
EXTENSION**

Stephen R. Koontz, Ph.D.

Professor

Department of Agricultural & Resource Economics
Colorado State University

Improved Feeding Margins

While the recent emergence of New World Screwworm (NWS) in the U.S. has occupied the popular press, association, and administration communications, another event has been quietly taking place. It will likely have a much more substantial impact on future feeder cattle and calf prices. For the last three and a half weeks, futures prices for December 2026 corn, December 2026 soybean meal, and July 2026 Chicago and Kansas City wheat have fallen sharply. Harvest corn prices are down 20%, meal is down 7.5%, and wheat is off about 10%. And these changes have all occurred well ahead of the USDA Acreage report due out at the end of this month. National and regional forage prices have softened somewhat with the first cuttings, but those markets made their down move last year. The futures market is communicating that drought and other production risks are substantially mitigated. Or at least that is what the funds think.

NWS is going to be an issue this year, but primarily for producers and infested regions. There will be disruptions to the movement of cattle. There will be increased costs of mitigation and control. And it will be much in the news. But there will not likely be much of a broad market-level impact, and this is especially the case for the supply side. On the other hand, a greater than 10% reduction in feed grain costs for the new crop can relax cattle feeding margins that were very tight. If grain prices stay soft or if cattle feeders take advantage of the opportunity to price currently cheap inputs, then the subsequent demand for feeder cattle and calves should be strong. The corn price, in isolation, has the ability to reduce costs of gain by 10-15 per pound of gain, and with lower other feeds, then the costs of gain will remain modest compared to the past five years. But be aware, these price changes don't impact feed in the bunk but rather have the potential to impact costs of gain into 2027 and the value of this year's calves.

Speaking of 2027, the futures price declines of corn, meal, and wheat were not limited to 2026 contracts. Deferred contracts moved down as well. The closing price for December 2027 at the end of last week was \$4.68/bu. And this is the price level where the market stopped after moving down for four and a half weeks. This level seems at odds with what the fertilizer and fuel markets are currently doing. But it is also an opportunity for folks who feed animals. It is worth remembering that feed costs that benefit cattle feeders also benefit producers feeding hogs, poultry, and dairy cattle.

It is also worth remembering that the USDA NASS Acreage report will be released on June 30 at noon E.T. Some portion of the recent grain price moves lower is due to speculator selling of long positions. Questions remain as to the risks associated with planted acres and yields for numerous crops, and have the risks really dissipated?

The Markets

What does the technical picture say? Across the live cattle and feeder cattle contracts, uptrends were broken and resistance held. Clear sell signals. Make sure you refer to the contracts with trading history from last October. There was some modest movement of live cattle contracts into new highs with the \$4 per pound box beef composite values in March. But resistance was reestablished. Feeder cattle have mirrored live cattle and have reacted almost not at all to cheaper new crop feeding costs – even the deferred contracts that would be fed new crop. The technical signal remains that this market is or has topped. Selling is advised based on these technicals. However, the lower new crop feed costs allow feeder cattle and calves the ability to make further moves higher.

		Week of 6/12/26	Week of 6/5/26	Week of 6/13/25
5-Area Fed Steer	all grades, live weight, \$/cwt	\$256.08	\$256.53	\$238.91
	all grades, dressed weight, \$/cwt	\$404.88	\$404.66	\$380.05
Boxed Beef	Choice Value, 600-900 lb., \$/cwt	\$392.71	\$393.62	\$373.67
	Choice-Select Spread, \$/cwt	\$17.37	\$10.01	\$12.46
700-800 lb. Feeder Steer	Montana 3-market, \$/cwt	\$405.00	\$415.46	\$331.50
	Nebraska 7-market, \$/cwt	\$397.35	\$408.02	\$346.92
	Oklahoma 8-market, \$/cwt	\$373.97	\$368.93	\$322.43
500-600 lb. Feeder Steer	Montana 3-market, \$/cwt	--	\$514.96	\$421.73
	Nebraska 7-market, \$/cwt	\$487.89	\$528.35	\$421.54
	Oklahoma 8-market, \$/cwt	\$463.52	\$452.38	\$377.25
Feed Grains	Corn, Omaha, NE, \$/bu (Thursday)	\$4.08	\$4.15	\$4.38
	DDGS, Nebraska, \$/ton	\$165.83	\$175.71	\$148.38

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

[Click here to subscribe](#)

Contributing Organizations



**SOUTH DAKOTA STATE
UNIVERSITY EXTENSION**



**COLORADO STATE UNIVERSITY
EXTENSION**



**UNIVERSITY OF GEORGIA
EXTENSION**



Disclaimer: The information provided in this newsletter is intended for educational purposes only. LMIC will not be held liable for any decisions made based on the information contained in this publication.