

Livestock Monitor

A Newsletter for Extension Staff

Livestock Marketing Information Center

State Extension Services in Cooperation with the USDA

Market Indicators . . .

May 23, 2025

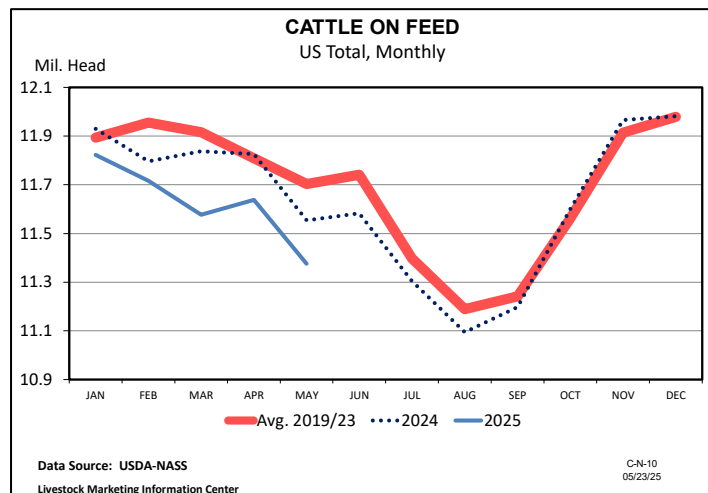
Production			Prices			
Week Ending 5/24/2025	Last	Year Ago	Weekly Average (\$/Cwt)	Last	Week Ago	Year Ago
FI Cattle Slaughter (Thou Hd)	570	602	Live Steer	229.51	226.45	190.09
FI Hog Slaughter (Thou Hd)	2362	2371	Dressed Steer	361.88	357.67	303.49
FI Sheep Slaughter (Thou Hd)	39	36	Choice Beef Cutout	359.13	350.00	311.64
Young Chicken Sltr. (Mil Hd)	168.7	164.8	USDA Hide/Offal	11.08	11.07	11.43
			OK City Fdr. Str. (6-7 Cwt.)	337.28	345.67	283.90
Slaughter Cattle Live Weight	1430	1394	National Negotiated Hogs	94.43	93.24	87.72
Slaughter Hog Live Weight	291	289	Natl. Net Hog Carcass	93.20	91.09	92.53
Slaughter Lamb/Sheep Live Wt.	127	121	Feeder Pigs (40 Lbs) (\$/Head)	80.32	80.05	65.60
Beef Production (Mil Pounds)	496.9	511.2	Pork Cutout	100.68	98.10	100.07
Pork Production (Mil Pounds)	511.2	509.3	Lamb Cutout	460.32	454.69	465.27
Lamb, Mutton Prod. (Mil Lbs.)	2.5	2.2				
Previous 6 Wk. Moving Avg.			Cheddar, 40 lb Block(\$/lb)	1.81	1.80	1.82
Total Beef (Mil Lbs)	493.4	519.1	Corn, Omaha (\$/Bu)	4.62	4.45	4.70
Total Pork (Mil Lbs)	521.7	517.5	Soybeans, Cntrl IL (\$/Bu)	10.76	10.59	12.46
Total Lamb, Mutton (Mil Lbs)	2.4	2.3				

Source: Various USDA-AMS reports. Data are preliminary.

Trends. . . LOWER CATTLE ON FEED

The USDA-National Agricultural Statistics Service (NASS) reported cattle on feed as of May 1, 2025, at 11.4 million head, which was a decline of -1.5% (178,000 head) from a year earlier. The average pre-report estimate expected a decline of -1.5% from the prior year with a range of -1.7% to -1.0%. Cattle marketings in April were just over 1.8 million head, a decrease of -2.5% (47,000 head) from a year earlier. April this year and last had 22 slaughter days.

The range of pre-report estimates for placements was down -4.6% to up +4.0% with an average of down -3.1%. Placement in April was reported at 1.6 million head, a decrease of -2.6% (43,000 head) from a year ago. The decline in April's cattle placements were driven mainly by declines in Colorado (-11.1%) and Texas (-6.1%) to 120 and 310 thousand head, respectively. Kansas saw April cattle placements increase by +2.7% to 87,000 head while Nebraska held steady with a year ago at 445,000 head.



As cattle on feed inventory levels continue to track below year-ago levels, feeder steer and fed steer prices continue to move seasonally higher. Feeder steer prices (700-800 lbs., Southern Plains, medium and large #1) were \$308.63 per cwt, up +18.2% from the same week last year but down from \$314.03 last week and \$312.61 per cwt two weeks ago. Fed steer prices (Southern Plains) were a record last week at \$220.11 per cwt, up +18.4% from a year ago. Rising feeder and fed steer prices singles tighter cattle supplies continue to support prices.

COLD STORAGE

Cold storage was released by the USDA-NASS today containing totals for the month of April. Overall, red meat in cold storage was down -5.9% year over year to 893.6 million pounds, with poultry also decreasing -5.2% to 1.1 billion pounds. Within aggregate red meat, total beef in cold storage declined to 418.1 million pounds, a loss of -1.9% attributable to larger losses in volume out of boneless beef (-2.6% to 377 million pounds) offsetting lesser gains observed in beef cuts (+4.2% to 41.2 million pounds). Aggregate pork in cold storage also declined year over year, but more dramatically in comparison to beef, falling -8.7% to 455.8 million pounds. In the mix, losses were widespread, except for bone-in picnics, which increased +18% to 6.8 million pounds, where declines were driven predominantly by losses in bellies (-22.3%), hams (-7.5%), variety meats (-21.6%), and unclassified pork products (-13%) to 59.6, 87.9, 21.6, and 38 million pounds, respectively.

For poultry, total chicken in cold storage increased +2.1% year over year to 755 million pounds; meanwhile, turkey and ducks declined by -18.4% and -57.1% to 318.8 and 1.5 million pounds, respectively. For chicken, increases were driven by breast meat (+7.5%), feet (+30.5%), and wings (+14.1%) to 224.1, 32.6, and 57.8 million pounds, respectively. For turkey, losses were most notably experienced in unclassified products (-31.6%), breasts (-17.8%), whole turkeys (-8.1%), and other products (-32%) to 54.5, 77.6, 158.1, and 23.5 million pounds, respectively.

On the dairy side, total natural cheese in cold storage fell by -2.4% to 1.4 billion pounds in the month of April. In this loss, changes were sourced from greater declines in American cheese (-2.4% to 805.9 million pounds), overcoming subtle increases in Swiss cheese (+4.8% to 23.1 million pounds). Butter stocks also fell in April, decreasing -6.8% to 337.4 million pounds.

DAIRY MARKET UPDATE

The dairy sector continued to add a few more cows to the milk cow herd than was expected at the first of the year. USDA-NASS reported that the April milk cow tally was up 5,000 head from the prior month, which was up a revised 24,000 cows from February to March. The April milking herd was at 9.425 million cows, compared to 9.336 million head a year ago and 9.355 million head in December. Milk production during the first quarter of 2025 ran below a year ago by less than a half a percent as milk cow productivity fell short of expectations, but that trend has reversed in March and April, leading to a likely increase in milk production of +1% to +2% in the current quarter when compared to last year.

Most of the increase in the dairy herd in March occurred in Kansas, South Dakota, and Texas. The expansion in Idaho in January did not continue. Herd additions in April were similar to March, as Texas, South Dakota and Kansas posted 2,000 more cows apiece. Washington had 1,000 fewer cows in April than in March and 11,000 less than a year ago (-4%). The trend in Florida was similar to Washington but has stabilized since last fall.

The outlook for dairy markets has not changed much since the start of the year. More cows have moved into the dairy herd, which is starting to push milk production above earlier projections. Milk prices have been a little weaker than expected in recent months but not dramatically. This price action should temper the motivations to increase the milk cow herd and lead to firmer milk product prices.

Domestic butter consumption was up +2% during the first quarter. Butter exports during the first quarter were up more than double from the same quarter of last year as US butter prices are substantially lower than world butter prices. US butter consumption in the last half of 2024 had been running above year-earlier levels by close to +10%, so the slowdown in early 2025 is disappointing. Consumer spending on food is still strong based on retail sales data for April, so the forecast does not see much downside risk to butter demand from recent levels. This should support a rally in butter and Class 4 milk prices for the remainder of the year.

Domestic cheese use was down from a year earlier in the first quarter. Cheese production was unchanged from a year earlier during the first quarter, thanks to milk production not increasing, which limited pressure on cheese prices and Class 3 milk prices. The +1% to +2% increase in milk production will have cheese markets scrambling for support, but cold storage inventories are not burdensome. A firm Class 4 milk price will be helpful. Spring quarter cheddar prices should average close to first quarter prices, and Class 3 milk prices may be down slightly from the prior quarter. The average All Milk Price at the farm for this quarter is expected to be down \$0.50 to \$1.00 from the first quarter.