

# Tennessee Market Highlights

## Trends for the Week Compared to a Week Ago

### Slaughter Cows

steady to \$1 lower

### Slaughter Bulls

unevenly steady

### Feeder Steers

\$5 to \$15 higher

### Feeder Heifers

\$5 to \$10 higher

Feeder Cattle Index: 245.15

### Fed Cattle

The 5-area live price on Thursday of \$184.00 was up \$1.06 compared to last week and \$294.45 dressed, up \$0.71.

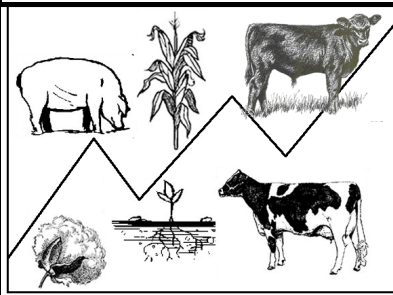
### Corn

### Soybeans

**No Crop  
Comments  
this week.**

### Wheat

### Cotton



## Livestock Comments by Dr. Andrew P. Griffith

**FED CATTLE:** Fed cattle traded steady compared to last week on a live basis. Prices were largely \$182 to \$185 on a live basis and \$294 to \$295 on a dressed basis.

The 5-area weighted average prices thru Thursday were \$184.00 live, up \$1.06 compared to last week and \$294.45 dressed, up \$0.71 from a week ago. A year ago, prices were \$178.61 live and \$284.17 dressed.

Cattle feeders and packers were more aggressive this week as they worked to trade cattle. The slow trade last week may have been a factor of waiting on the cattle on feed report that was released one week ago. Regardless of the cause, both parties did a large portion of their business on Wednesday and Thursday. The latest cattle on feed report made it clear of the upfront supply of cattle and the expectation of reduced availability over the next several months. In other words, there may appear to be a lot of cattle given how many are on feed but the reduction in the quantity of cattle placed on feed says supplies will tighten in the not so distant future. This is not a new headline, but it does give a better idea of the timing.

**BEEF CUTOUT:** At midday Friday, the Choice cutout was \$298.42 up \$1.50 from Thursday and up \$2.49 from a week ago. The Select cutout was \$288.47 down \$1.19 from Thursday and down \$2.60 from last week. The Choice Select spread was \$9.95 compared to \$4.85 a week ago.

Where is the help for wholesale beef prices? Generally, the rib and the loin will gain some traction and carry wholesale beef prices in the spring and summer while end cuts from the chuck and the round fade through the spring. A simple evaluation of primal values shows a softening of chuck and round values, but middle meats are not catching the slack generated from the

end meats. All hope is not lost in that middle meat prices still have time to strengthen and provide support to the overall value of a beef carcass. The unofficial start to summer is still one month away as Memorial Day weekend will kick off the grilling season. However, it takes time for beef to move from the hoof to the retail level. This means support will have to be seen in the next couple of weeks, or there may be cause for concern as it relates to another boom in market prices. The brisket, short plate and flank are the three beef primal cuts that are holding their ground. It is not bad, but it is a little disappointing when the hottest market is the short plate and flank. It is like saying a horse has a nice tail and mane.

**OUTLOOK:** Based on weekly auction market averages, steer prices were \$5 to \$15 higher compared to last week while heifer prices were \$5 to \$10 higher compared to the previous week. Slaughter cow prices were steady to \$1 lower compared to the previous week's weighted average price while bull prices were unevenly steady compared to the previous week. Some of the confusion in the futures market appears to have bled into the cash market, but it is diluted compared to the futures market. To clarify the previous statement, feeder cattle futures suffered a blow over a three-week period from the end of March through the middle of April in which many contracts lost between \$20 and \$30 per hundredweight. Since that time, the markets have regained \$10 to \$15. The way of pictorially describing price movements if placed on a graph is jumping on a pogo stick while riding a roller coaster. There is no doubt those can both be fun endeavors by themselves, but the combination of the two would either be extremely exhilarating or scare the pants off a turtle. The changes in cash prices at

# Livestock Comments by Dr. Andrew Griffith

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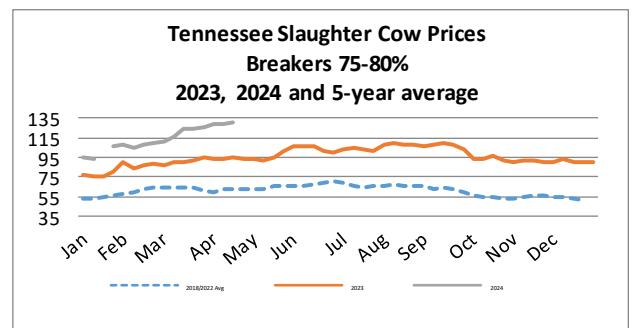
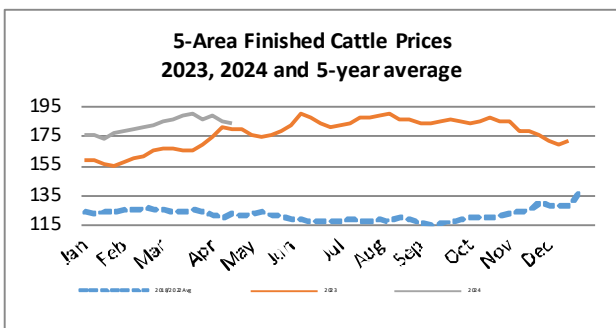
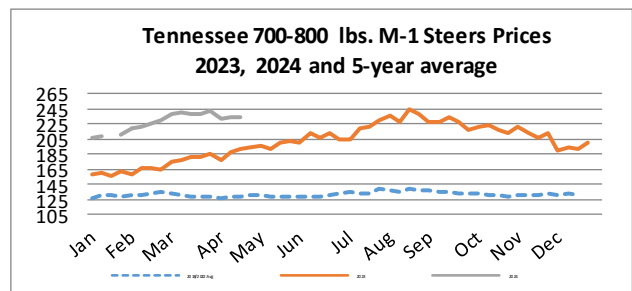
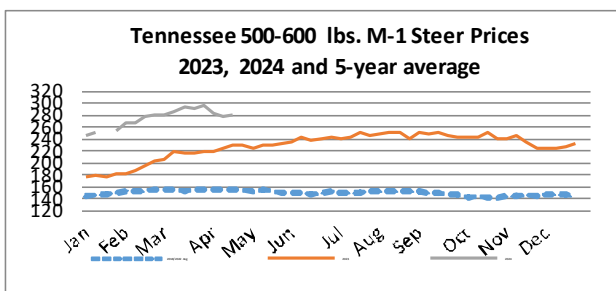
local auctions have not been as pronounced as the futures market, but they are fluctuating enough to influence marketing and purchase decisions. From the marketing standpoint, producers must be ready to act on advantageous prices offered on the futures market. For instance, the summer and fall feeder cattle contract prices are likely to move back towards their \$270 plus price level. If this is a price level one can make money with then it would be appropriate to hedge the sale of those cattle or purchase LRP insurance. The market could continue higher, but making a profit is the goal. On the purchasing side, buyers need to be thinking in a similar manner to sellers. If the futures market offers a purchasing opportunity that may be advantageous then a move must be made. However, the buyer may also need to take a selling position of some sort to lock in a certain margin on those cattle. This is call proactive marketing as compared to reactive marketing.

**ASK ANDREW, TN THINK TANK:** Are these cattle prices going to stay up? How high are they going to go? What does this mean for people buying cattle now and those buying at potentially higher prices? These are the multimillion-dollar questions that if answered correctly could result in profitable decision making. However, from the broad perspective, the

best thing for cattle producers across the entire cattle complex would be a plateauing of prices at some level that does not squeeze the profits out of any sector of the business and put a strain on the consumer. What that price level is for a given weight class is not clear, but supply and demand will dictate those price movements. What could be a concern is an outside factor influencing the market in one way or another that results in producers making shorter term decisions than they would typically make. In short to answer the questions, cattle prices are going to stay elevated, but how high they will go is unknown. As it relates to buyers, the higher investment may cut into the number of cattle purchased.

Please send questions and comments to [agriff14@utk.edu](mailto:agriff14@utk.edu) or send a letter to Andrew P. Griffith, University of Tennessee, P.O. Box 160, 1000 Main Entrance Dr., Spring Hill, TN 37174.

**FRIDAY'S FUTURES MARKET CLOSING PRICES:** Friday's closing prices were as follows: Live/fed cattle –April \$184.68 +0.73; June \$178.58 +0.78; August \$176.78 +0.73; Feeder cattle –May \$248.70 +2.45; August \$260.55 +2.25; September \$261.58 +2.15; October \$261.73 +2.03; May corn closed at \$4.40 down 1 cent from Thursday.



**Prices on Tennessee Reported Livestock Auctions for the week ending Monday, April 22, 2024**

	This Week			Last Week's	Year Ago
	Low	High	Weighted Average	Weighted Average	Weighted Average
-----\$/cwt-----					
<b>Steers: Medium/Large Frame #1-2</b>					
300-400 lbs	300.00	385.00	335.94	327.20	259.17
400-500 lbs	270.00	325.00	308.07	305.65	244.24
500-600 lbs	247.50	313.00	280.75	276.74	229.18
600-700 lbs	230.00	285.00	260.31	260.03	211.44
700-800 lbs	209.00	250.00	234.55	233.88	190.77
<b>Steers: Small Frame #1-2</b>					
300-400 lbs	---	---	---	265.00	214.75
400-500 lbs	---	---	---	256.19	---
500-600 lbs	---	---	---	---	---
600-700 lbs	---	---	---	---	---
<b>Steers: Medium/Large Frame #3</b>					
300-400 lbs	216.00	337.50	293.56	299.10	225.15
400-500 lbs	203.00	300.00	271.76	285.16	211.37
500-600 lbs	210.00	276.00	251.78	252.13	202.64
600-700 lbs	160.00	255.00	233.53	241.61	181.07
700-800 lbs	190.00	217.00	202.77	223.50	165.92
<b>Holstein Steers</b>					
300-400 lbs	---	---	---	---	---
500-600 lbs	---	---	---	---	---
700-800 lbs	---	---	---	---	---
<b>Slaughter Cows &amp; Bulls</b>					
Breakers 75-80%	97.00	140.00	130.17	129.51	94.14
Boners 80-85%	88.00	138.00	125.87	127.11	93.20
Lean 85-90%	79.00	125.00	110.19	110.87	82.83
Bulls YG 1	120.00	165.00	147.33	149.82	119.98
<b>Heifers: Medium/Large Frame #1-2</b>					
300-400 lbs	235.00	330.00	293.22	293.46	229.17
400-500 lbs	225.00	310.00	269.93	264.11	214.62
500-600 lbs	207.50	265.00	247.21	245.96	198.53
600-700 lbs	177.00	262.50	229.01	227.69	178.77
<b>Heifers: Small Frame #1-2</b>					
300-400 lbs	220.00	250.00	235.00	240.67	175.82
400-500 lbs	210.00	260.00	233.53	228.99	192.85
500-600 lbs	---	---	---	218.62	174.64
600-700 lbs	---	---	---	211.25	---
<b>Heifers: Medium/Large Frame #2-3</b>					
300-400 lbs	225.00	300.00	266.30	274.33	206.52
400-500 lbs	200.00	282.50	251.84	251.43	192.08
500-600 lbs	205.00	250.00	228.35	228.67	179.54
600-700 lbs	180.00	227.50	206.29	202.57	162.78

Cattle Receipts

This week:7,441

Week ago:5,832

Year ago:9,018

Link to report: [https://www.ams.usda.gov/mnreports/ams\\_2063.pdf](https://www.ams.usda.gov/mnreports/ams_2063.pdf)

## Graded Sales, Video Board Sales, Video Sales & Loads

### East Tennessee Livestock Center Video Sale

- Sweetwater, TN

4/10/24

1 load out of 75 steers from BQA certified producer; Est weight 895 lbs; 95% L&M-1s and 5% L&M-2s; 100% BLK/BWF; \$226.50

### East Tennessee Livestock Center Video Sale

- Sweetwater, TN

4/17/24

1 load out of 80 steers from BQA certified producer; Est weight 880 lbs; 95% L&M-1s and 5% L&M-2s; 100% BLK/BWF; \$231.10

### Dickson Regional Livestock Center - Dickson, TN

4/23/24

59 steers averaging 953l bs; 100% black hided, medium to medium plush flesh; 100% #1, medium/large frame, \$220.00

### East Tennessee Livestock Center Video Sale

- Sweetwater, TN

4/24/24

1 load out of 62 steers PI tested negative; Est weight 880 lbs; 90% L&M-1s and 10% L&M-2s; 95% BLK/BWF and 5% ChaX/ Smoky; \$225.50

## Graded Goat & Sheep Sales

### Columbia Graded Sheep and Goat Sale-Columbia, TN

Weighted Average Report for 4/22/24

Total Receipts: 1,016

For complete report:

[https://www.ams.usda.gov/mnreports/ams\\_2081.pdf](https://www.ams.usda.gov/mnreports/ams_2081.pdf)

## Futures Settlement Prices: Crops & Livestock

Corn: <https://www.cmegroup.com/trading/agricultural/grain-and-oilseed/corn.html>

Soybeans: <https://www.cmegroup.com/trading/agricultural/grain-and-oilseed/soybean.html>

Wheat: <https://www.cmegroup.com/trading/agricultural/grain-and-oilseed/wheat.html>

Soybean Meal: <https://www.cmegroup.com/trading/agricultural/grain-and-oilseed/soybean-meal.html>

Cotton: <https://www.theice.com/products/254/Cotton-No-2-Futures/data?marketId=5352193>

Live Cattle: <https://www.cmegroup.com/trading/agricultural/livestock/live-cattle.html>

Feeder Cattle: <https://www.cmegroup.com/trading/agricultural/livestock/feeder-cattle.html>

Lean Hogs: <https://www.cmegroup.com/trading/agricultural/livestock/lean-hogs.html>

Class III Milk: <https://www.cmegroup.com/trading/agricultural/dairy/class-iii-milk.html>

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USDA / Tennessee Department of Agriculture Market News Service <https://www.tn.gov/agriculture/farms/news.html>

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