

East Texas Livestock, Inc

893 State Highway 7 West

Crockett, Texas 75835

936-544-2246

www.easttexaslivestock.com

June, 2022 MONTH END MARKET REPORT

THE FIGURES BELOW REPRESENT BOTH THE HIGH AND LOW MONTHLY AVERAGES

SLAUGHTER COWS.

CANNERS..... \$ 71.25 TO \$ 79.75
BONING/UTILITY..... \$ 80.75 TO \$ 87.00
CUTTERS..... \$ 88.00 TO \$ 94.75

SLAUGHTER BULLS..... \$ 89.50 TO \$ 113.00

REPLACEMENT COWS

BRED COWS \$ 540.00 TO \$ 1300.00

COW/CALF PAIRS \$820.00 TO \$1475.00

FEEDER CALVES

FEEDER STEERS/BULLS. LARGE FRAME #1

WT CLASS AVG.

200 TO 300 LBS....	\$1.40 TO \$2.09	1.59
300 TO 400 LBS....	\$1.38 TO \$2.01	1.71
400 TO 500 LBS....	\$1.35 TO \$1.89	1.62
500 TO 600 LBS....	\$1.30 TO \$1.77	1.46
600 TO 800 LBS....	\$1.19 TO \$1.62	1.40

FEEDER HEIFERS LARGE FRAME #1

WT CLASS AVG

\$1.41 TO \$1.92	\$1.40
\$1.33 TO \$1.85	\$1.51
\$1.26 TO \$1.77	\$1.49
\$1.20 TO \$1.61	\$1.44
\$1.12 TO \$1.47	\$1.35

MONTHLY SUMMARY

JUNE WRAPPED UP WITH GAS PRICES REACHING NEW RECORD HIGHS OVERSHADOWING THE PREVIOUS RECORD HIGH SET IN 2008. INPUT COST CONTINUED TO RISE AS FEEDING COST ALONG WITH TRANSPORTATION COST BRUISED THE LIVESTOCK INDUSTRY. AS OF THE END OF JUNE 62.49% OF THE ENTIRE US WAS IN SOME STAGE OF DROUGHT. THE US PASTURE AND RANGE CONDITION ARE AT THE LOWEST LEVELS ON RECORD FOR THIS TIME OF THE YEAR. HAY STOCKS HAVE DECLINED OVER 7% FROM LAST YEAR. AND AGAIN THE UKRAINIAN WAR ALONG WITH HIGHER FOOD PRICES, ELEVATED INTEREST RATES AND THE COUNTRY'S FREIGHT INDUSTRY BEING TOTALLY UNDER STAFFED.

THE DROUGHT WHICH BEGAN IN 2020 HAS EXPANDED AND ACCELERATED CONTINUING TO FORCED FURTHER LIQUIDATION. THIS WAS A PROBLEM MAINLY IN THE WESTERN US BUT NOW HAS BECOME A PROBLEM MOVING INTO TEXAS AND LOUISIANA. THERE WAS A 2.33% DECREASE IN THE TOTAL US BEEF COWHERD LAST YEAR WITH ANALYSTS FORECASTING A 12.5% COW HERD CULLING IN 2022. AT THIS RATE WE COULD EASILY WITNESS ANOTHER DECLINE OF OVER A MILLION COWS PLUS SLAUGHTERED THIS YEAR. THE DRY CONDITIONS CONTINUES TO FORCE MANY PRODUCERS TO CULL DEEPER THAN THEY NORMALLY WOULD. MID AGE AND YOUNGER COWS ARE BEING FORCED INTO SLAUGHTER AS PRODUCERS ARE STREAMLINING THEIR HERDS TO SURVIVE. (LOCALLY WE HAVE WITNESSED THIS AS ANY COW OVER 5 YEARS AND LIGHT TO MEDIUM BRED ARE FINDING THEIR WAY ONTO THE PACKER'S TRUCKS INSTEAD OF BACK TO A PASTURE.)

THE BEEF AND BEEF PRODUCTS DEMAND HOWEVER CONTINUES TO REMAIN IN GOOD DEMAND. THE MEMORIAL DAY MEAT MOVEMENT WAS STRONG AS RETAILERS EMPTIED THEIR SHELVES. CHINA HAS QUICKLY MOVED INTO THE 3RD LARGEST IMPORTER OF OUR BEEF ONLY BEHIND S. KOREA AND JAPAN. THE GLOBAL DEMAND FOR US BEEF CONTINUES TO OVERCOME ENORMOUS OBSTACLES FROM INFLATION TO FOREIGN HEALTH (COVID) LOCKDOWNS TO THE EUROPEAN CONFLICT.

THE JUNE 24TH USDA CATTLE ON FEED REPORT WAS CLASSIFIED AS "SLIGHTLY FRIENDLY" AS BOTH PLACEMENTS AND ON FEED NUMBERS WERE DOWN SLIGHTLY FROM PRE-REPORT GUESSES.

AS WE END THE MONTH, THERE ARE STILL MAJOR NEGATIVES FACING THE INDUSTRY. PRIME RATE HIKES ALONG WITH THE INFLATION RATE CONTINUING TO RISE. THE EVER PRESENT DROUGHT CONTINUING TO FORCE FURTHER HERD SELL DOWNS OR COMPLETE LIQUIDATION. HIGH FERTILIZER COST ALONG WITH HIGHER FUEL COST AND THE CONTINUING WAR IN EUROPE TO NAME THE MAJOR ONES.

WITH ALL THIS BEING SAID, THERE IS A RAINBOW THE OTHER SIDE OF THIS. WITH THE US BEEF COW HERD DOWNSIZING, IT WILL FORCE MORE COMPETITION FOR OUR FEEDER CALVES. THE STRONGER DEMAND BOTH HERE AND GLOBALLY SHOULD PRODUCE PRICES WE HAVE NEVER BEFORE SEEN. REMEMBER, OPTIMISM AND TENACITY IS THE COW MAN'S STRONGEST ASSET.

OUR NEXT WEANED CALVE SALE WILL BE TUESDAY, JULY 19 TH

PAUL CRAYCRAFT.
936-545-5251

EAST TEXAS LIVESTOCK.
936-544-2246

CASE CRAYCRAFT
936-545-5045