

East Texas Livestock, Inc

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February 2024 Monthly Market Report

Slaughter Cows

Canners.....\$ 89.75 to \$ 101.25

Boning/Utility.....\$ 102.25 to \$ 110.75

Cutters.....\$ 111.75 to \$ 121.75

Slaughter Bulls.....\$1.08 to \$1.38

Bred Cows.....\$810.00 to \$2,200.00 /head

Cow/Calf Pairs.....\$ 1100.00 to \$2,900.00

Feeder Calves

Feeder Steers/Bulls Large Frame #1

(avg prices)

200 to 300 lbs.....\$2.64 to \$4.19

\$ 3.37

300 to 400 lbs.....\$2.45 to \$3.87

\$ 3.16

400 to 500 lbs.....\$2.28 to \$3.70

\$ 2.94

500 to 600 lbs.....\$2.10 to \$3.20

\$ 2.68

600 to 800 lbs.....\$1.95 to \$2.91

\$ 2.42

Feeder Heifers Large Frame #1

(avg. prices)

\$2.30 to \$3.78

\$ 2.99

\$2.16 to \$3.55

\$ 2.87

\$2.10 to \$3.25

\$ 2.59

\$1.89 to \$2.98

\$ 2.45

\$1.64 to \$2.71

\$ 2.21.

Month End Summary

February witnessed a continuation of pure market aggressiveness by feeder buyers. The warming temperatures allowed a more normalized movement of cattle and the demand by buyers couldn't be satisfied. Calf prices again returned to the highest levels we had ever witnessed with the competition for the feeders the strongest on record as feedlots begin to empty out and in turn facing a much smaller pool of available feeders to replenish. The demand remained extremely good on all classes with very active trade.

Again, the US beef inventory showed a 2% drop from last year which puts it at the smallest herd size since 1962. With a larger population along with strong overseas demand and sales and a reduced pool of available feeder supplies, this market is poised to remain strong with odds that it will indeed provide a scenario for higher feeder prices. Analysts along with a cautious optimism feel the cow/calf producer is finally in the driver's seat for the next several years. This impact of the smallest US herd in 62 years will no doubt have a direct affect in surging beef prices. The trick here is for retailers to remain very aggressive in their marketing scheme yet keep retail beef prices below the figure where the housewife is forced to buy cheaper protein such as chicken or pork.

As it stands the attention of our beef producers is the looming problem of refilling the depleted inventories of cattle. With the drought the past several years producers were faced with lack of grazing pastures along with higher input cost and minimal wintering hay supplies. Not only will the feeder calf availability shorten by herd liquidation, the drought and drastic conditions will also play a major part on the breed back ratio. This current cattle cycle does anticipate a slower and more prolonged expansion. As stands the current high prices will stall out any heifer retention and herd expansion. This could well last several years and once started, demand and prices will only get higher as more feeder heifers are taken off the market.

The price of cattle last year was a record high. Those regions such as Texas and Oklahoma will take years to build up as those plus other states with the most herd reductions that were affected the most. The price records set last year are likely to be broken this year by sizable margins. As Spring approaches the bulls are leading the charge in the auction pits and the board of trade. Those buyers who took to the sidelines last year have once again stepped onto the playing field. The producer has weathered every negative factor the past several years but now, they get to steer the wagon.

