

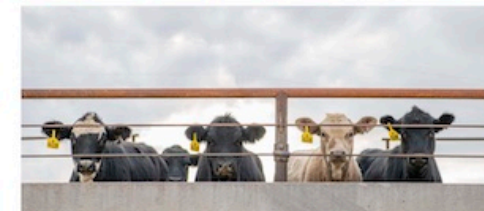
BEEF-CATTLE OUTLOOK

Dr. GLYNN T. TONSOR

EMAIL: gtonsor@ksu.edu

Twitter: [@TonsorGlynn](https://twitter.com/TonsorGlynn)

[http://www.agmanager.info/about/
contributors/individual/tonsor.asp](http://www.agmanager.info/about/contributors/individual/tonsor.asp)



**K-STATE BEEF
STOCKER FIELD DAY**

SEPTEMBER 28, 2023

K-STATE BEEF STOCKER UNIT
4330 Marlatt Avenue, Manhattan, KS

SPONSORED BY:





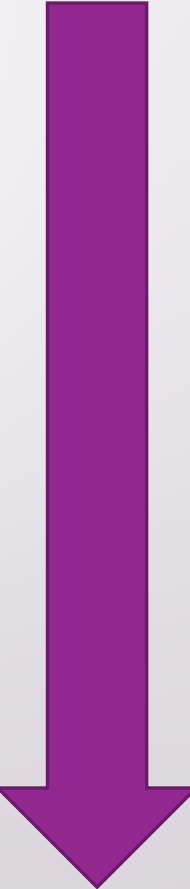
Take-Home Summary

1. Supply Dynamics Supporting Higher Cattle Prices
2. Consumer Meat Demand Mixed in 23' & Key to "Peak Prices" This Cycle

Quarterly Forecasts (LMIC: 9/19/23)

Year Quarter	Comm'l Slaughter	% Chg. from Year Ago	Average Dressed Weight	% Chg. from Year Ago	Comm'l Beef Production	% Chg. from Year Ago
2023						
I	8,314	-1.1	820.5	-1.8	6,822	-2.9
II	8,278	-4.6	810.6	-0.6	6,710	-5.1
III	8,021	-8.4	819.3	0.4	6,571	-8.0
IV	7,815	-8.0	833.7	0.4	6,516	-7.6
Year	32,427	-5.5	820.9	-0.4	26,618	-5.9
2024						
I	7,614	-8.4	831.5	1.3	6,331	-7.2
II	7,520	-9.2	820.3	1.2	6,169	-8.1
III	7,566	-5.7	830.2	1.3	6,282	-4.4
IV	7,296	-6.6	846.6	1.5	6,177	-5.2
Year	29,997	-7.5	832.0	1.4	24,958	-6.2
2025						
I	7,130	-6.4	839.4	1.0	5,985	-5.5
II	7,083	-5.8	827.7	0.9	5,863	-5.0
III	7,250	-4.2	838.8	1.0	6,081	-3.2
IV	6,925	-5.1	854.4	0.9	5,916	-4.2
Year	28,387	-5.4	840.0	1.0	23,844	-4.5

Data Source: Livestock Marketing Information Center



Quarterly Forecasts: Cattle (LMIC: 9/19/23)

Year Quarter	Live Sltr. Steer Price	% Chg. from	Feeder Steer Price	
	5-Mkt Avg	Year Ago	Southern Plains 7-800#	5-600#
2023				
I	160.92	15.6	185.52	224.01
II	179.02	26.1	214.16	254.87
III	185-186	29.3	252-253	280-281
IV	187-189	22.9	257-260	285-287
Year	176-178	22.6	227-228	260-262
2024				
I	186-190	16.8	256-260	290-294
II	195-200	10.3	260-265	285-290
III	192-197	4.9	275-285	290-300
IV	205-210	10.4	280-290	300-310
Year	196-199	11.6	270-272	294-296
2025				
I	190-205	5.1	265-280	290-305
II	200-215	5.1	280-295	295-310
III	195-210	4.1	285-300	315-330
IV	225-240	12.0	275-290	325-340
Year	208-212	6.3	282-286	312-316

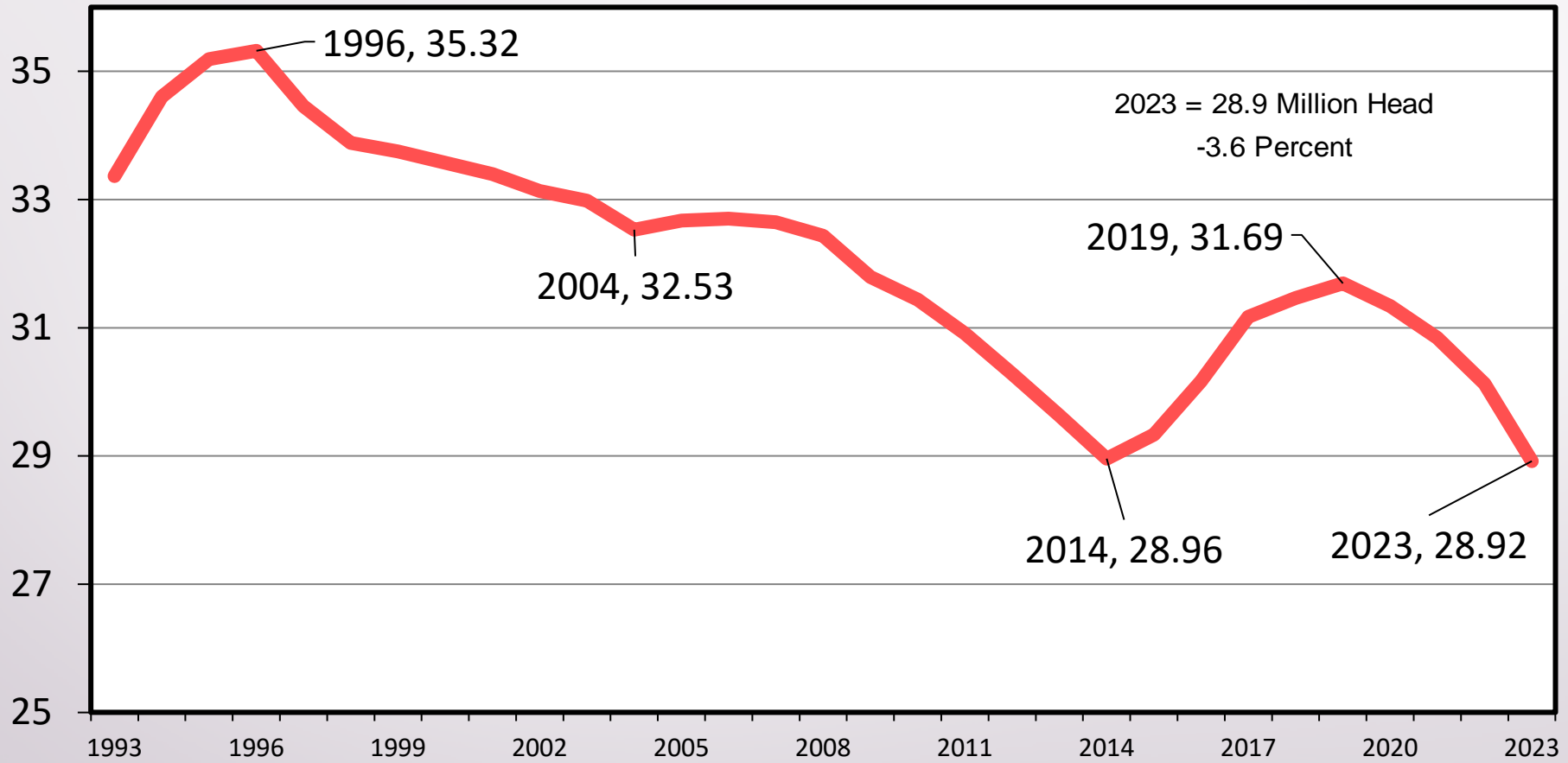


Data Source: Livestock Marketing Information Center

JANUARY 1 BEEF COW INVENTORY

U.S., Annual

Mil. Head

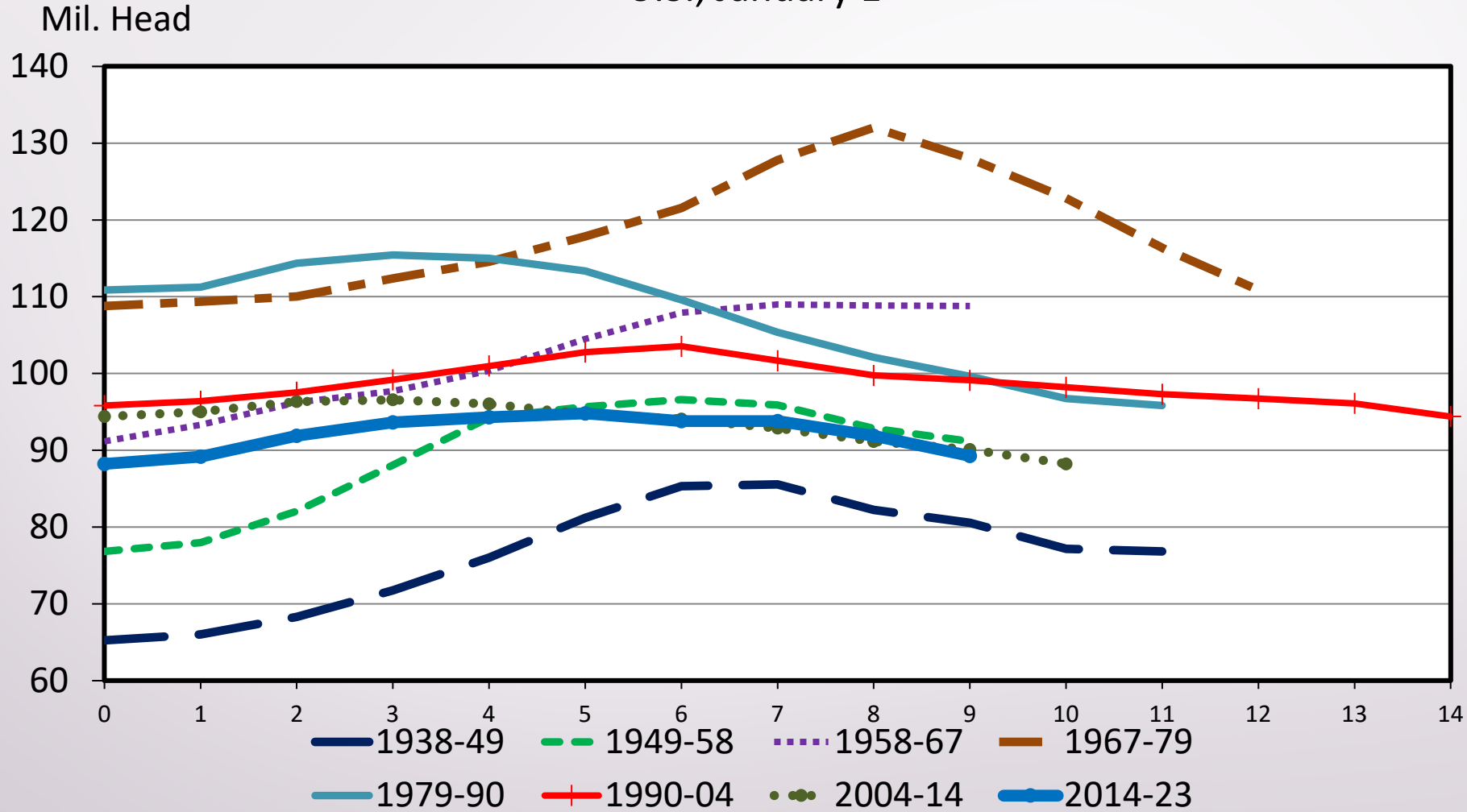


Data Source: USDA-NASS
Livestock Marketing Information Center

C-N-02
01/31/23

TOTAL CATTLE INVENTORY BY CYCLE

U.S., January 1



Data Source: USDA-NASS
Livestock Marketing Information Center

C-N-40
01/31/23

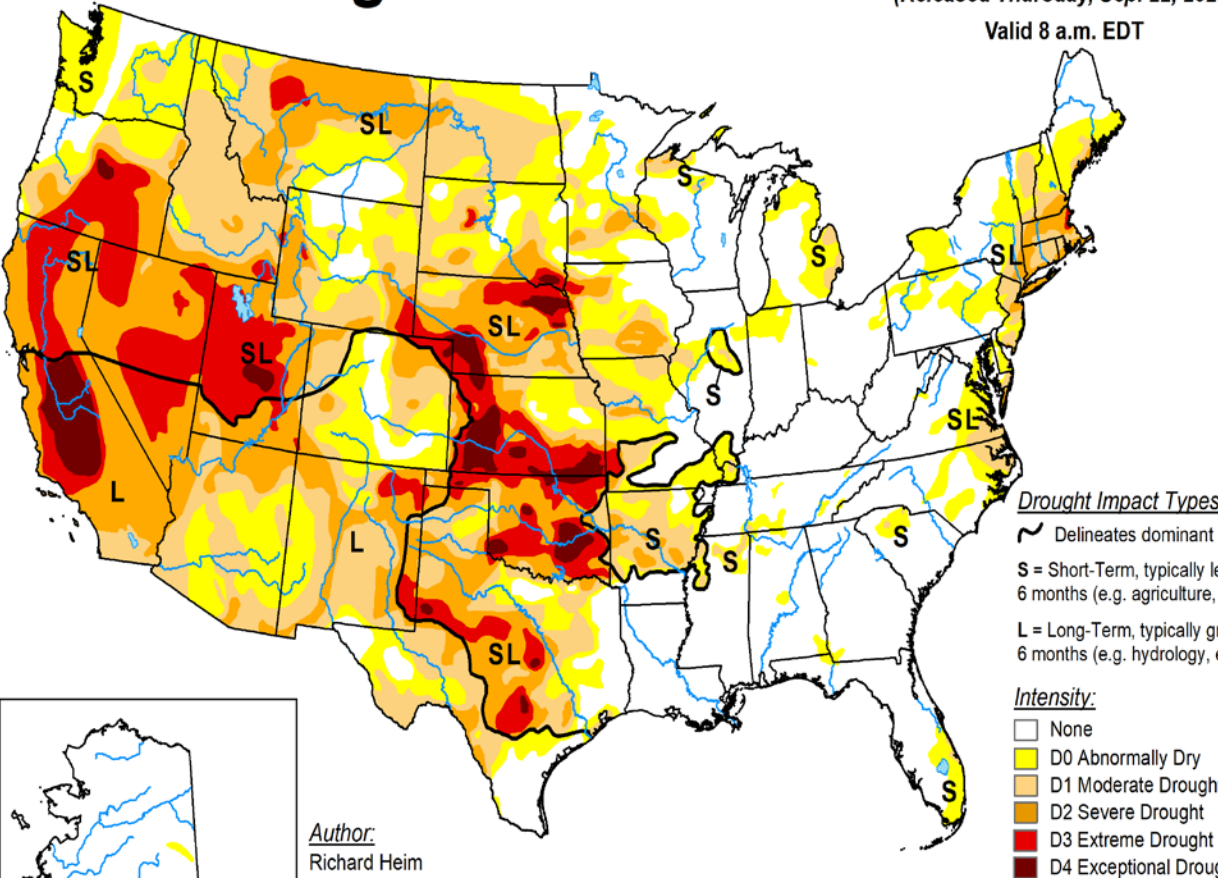
Context on Beef Cow Herd Dynamics

U.S. Drought Monitor

September 20, 2022

(Released Thursday, Sep. 22, 2022)

Valid 8 a.m. EDT



Author:
Richard Heim
NCEI/NOAA

The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. For more information on the Drought Monitor, go to <https://droughtmonitor.unl.edu/>



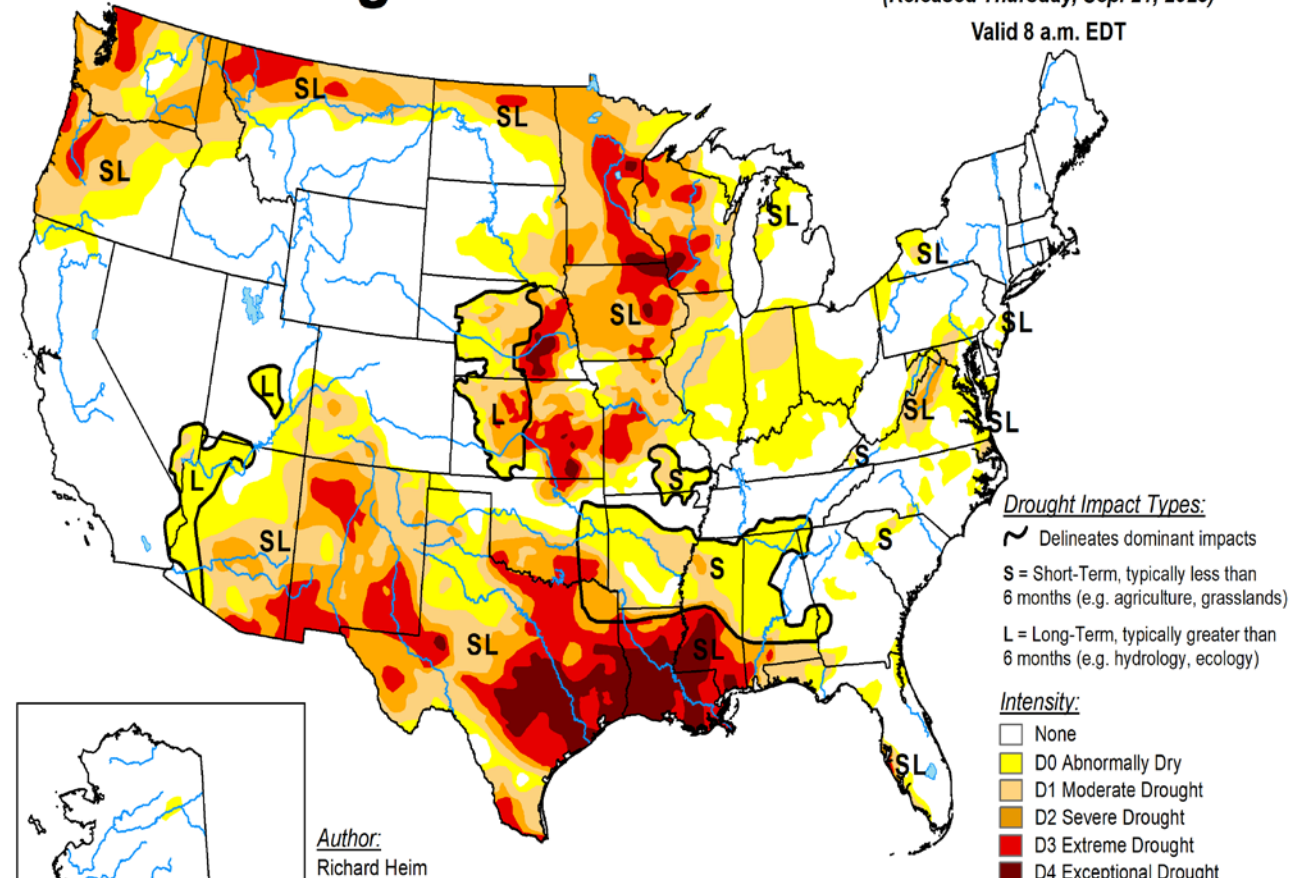
droughtmonitor.unl.edu

U.S. Drought Monitor

September 19, 2023

(Released Thursday, Sep. 21, 2023)

Valid 8 a.m. EDT



Author:
Richard Heim
NCEI/NOAA

The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. For more information on the Drought Monitor, go to <https://droughtmonitor.unl.edu/About.aspx>



droughtmonitor.unl.edu

Beef Cows in states with 40% Poor to Very Poor		
Last year	Cows	% of Total
09/04/22	14468	45.77%
09/11/22	16218	51.31%
09/18/22	14310	45.27%
This Year		
09/03/23	7884	25.22%
09/10/23	9845	31.50%
09/17/23	9614	30.76%

Beef Cows in states with 40% Good to Excellent		
Last year	Cows	% of Total
09/04/22	9692	30.66%
09/11/22	9486	30.01%
09/18/22	10226	32.35%
This Year		
09/03/23	14291	45.72%
09/10/23	14981	47.93%
09/17/23	12722	40.70%

Context on Beef Cow Herd Dynamics

Context on Beef Cow Herd Dynamics

K-State Dept. of Agricultural Economics Extension Publication

03/21/2022

An Updated Evaluation of the U.S. Cattle Cycle

Jaime R. Luke (jrluke@ksu.edu)

Andrew E. Anderson (ander909@ksu.edu)

Glynn T. Tonsor (gtonsor@ksu.edu)

Kansas State University Department of Agricultural Economics

- <https://www.agmanager.info/livestock-meat/production-economics/updated-evaluation-us-cattle-cycle>

KSU – Beef Replacement Tool

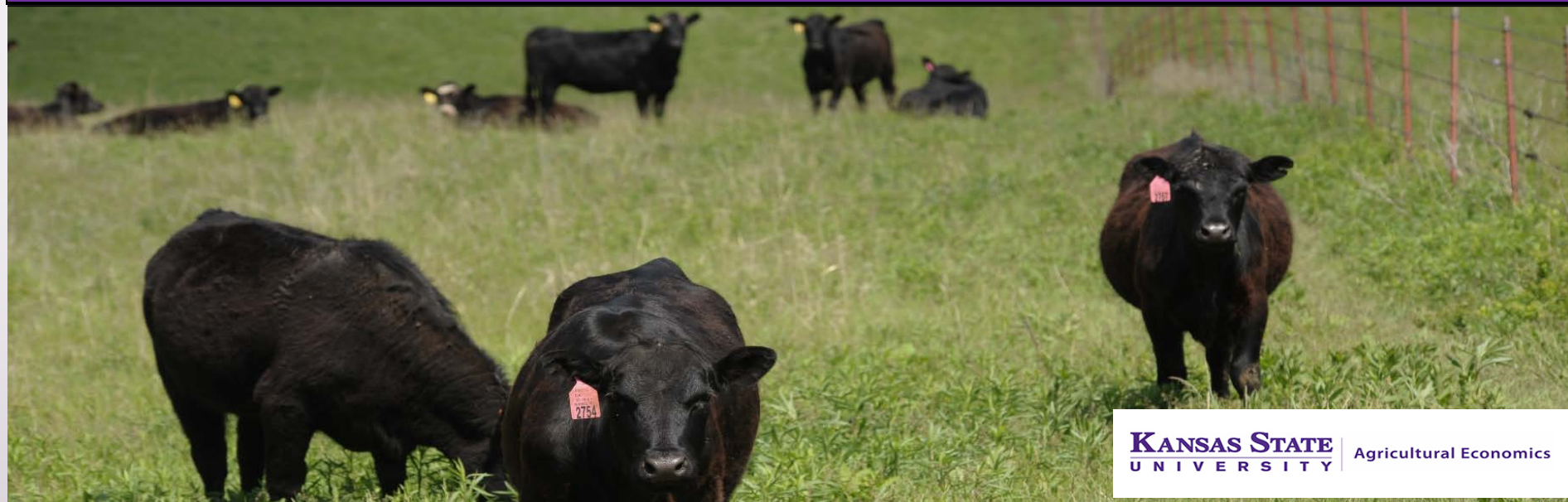
<https://www.agmanager.info/livestock-meat/production-economics/ksu-beef-replacement>

KSU-Beef Replacements

An Excel spreadsheet program to evaluate the economic value of purchasing beef replacement females.



Version- 1.30.2023



KANSAS STATE UNIVERSITY | Agricultural Economics

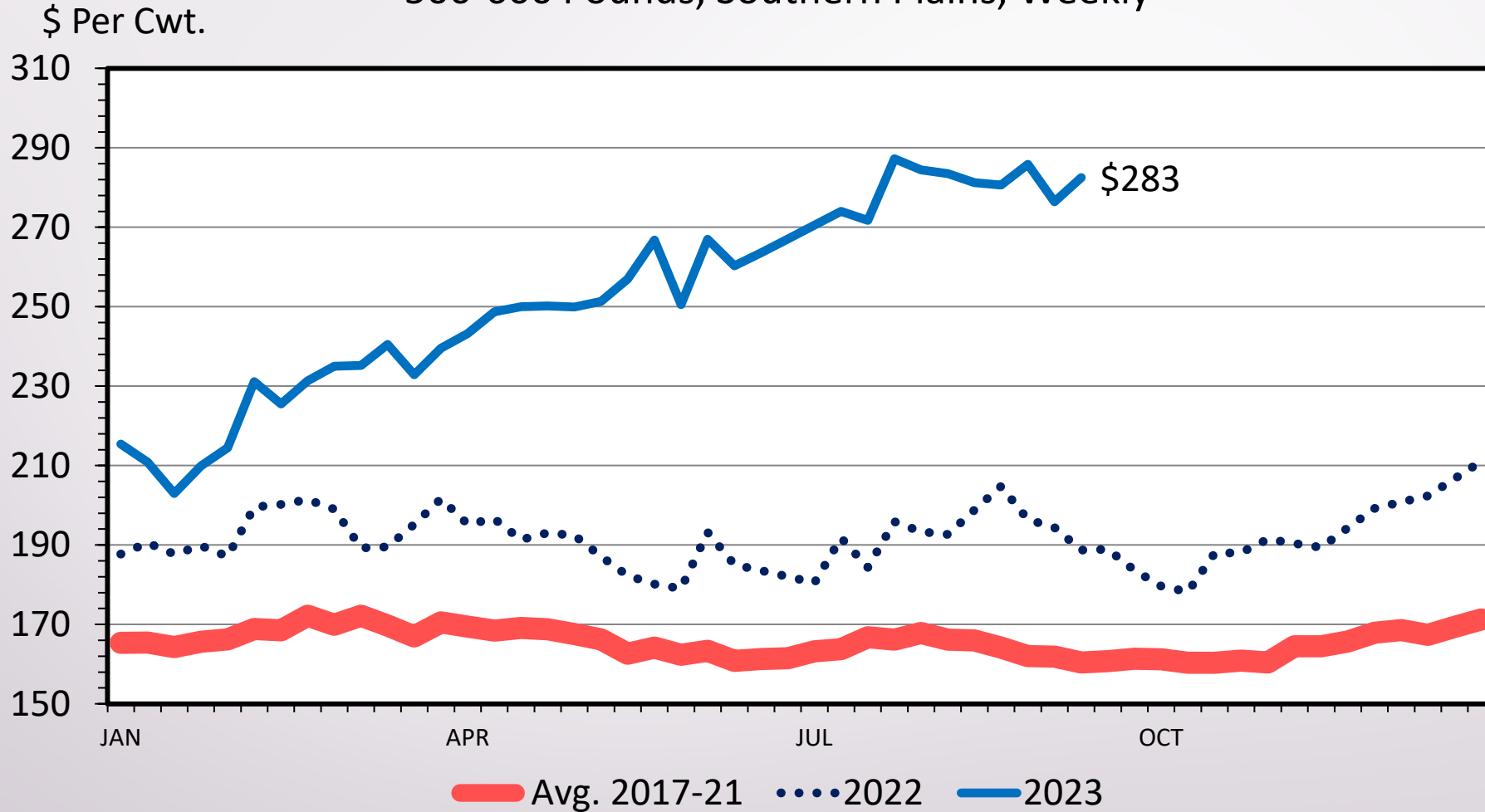
INTRODUCTION

A spreadsheet program to calculate the net present value of purchasing replacement heifers given expectations for calf selling price, weaning weights, cull cow price, and a target rate of return on investment.

Always good to “push the pencil” on decisions such as what to pay in herd expansion/rebuild efforts

MED. & LRG. #1 STEER CALF PRICES

500-600 Pounds, Southern Plains, Weekly



Want Feeder Cattle Price, Basis, & VOG Projections?
Use BeefBasis.com

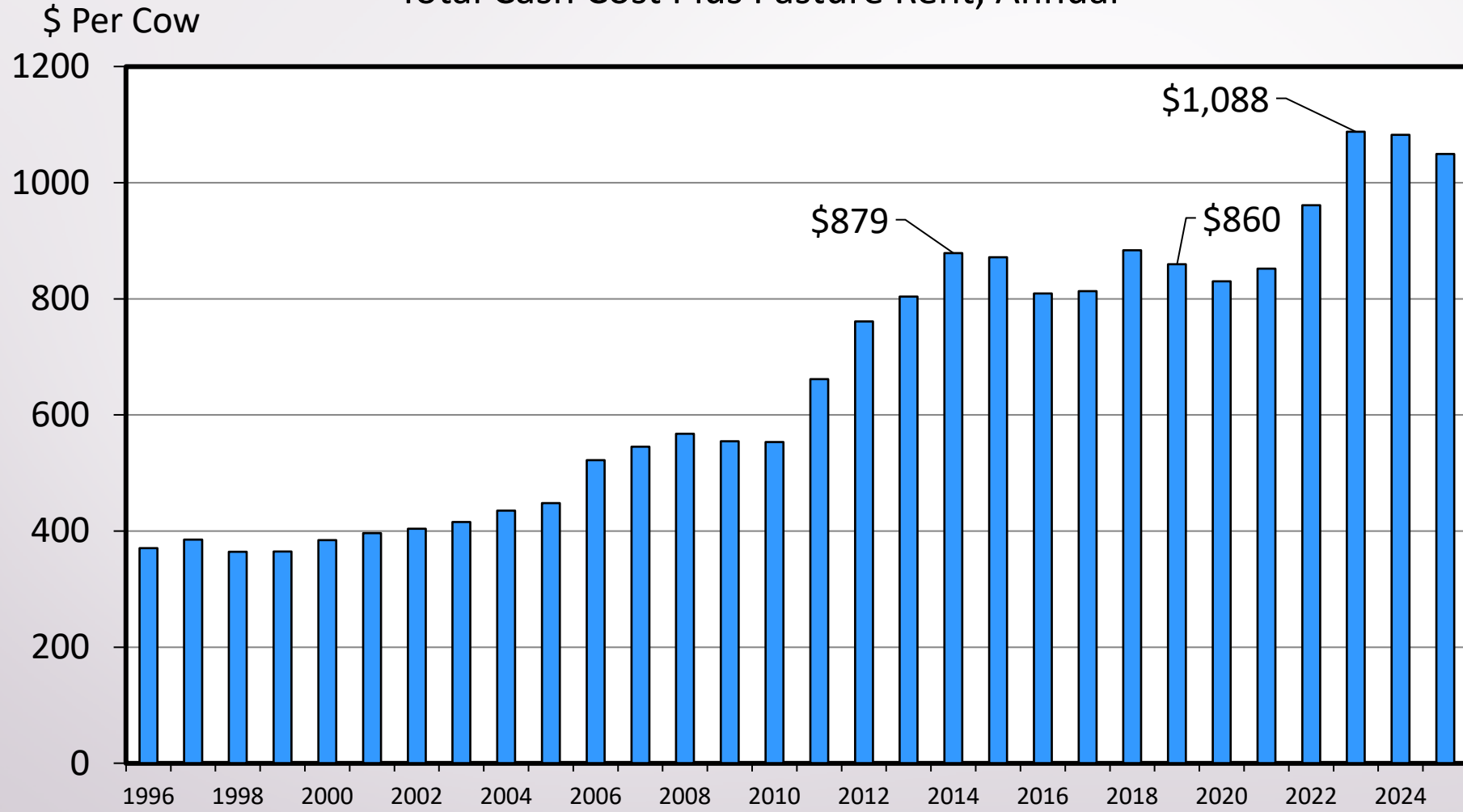
Salina **FALL CALF** Market, as of 9/27

10/18/2023 Sell @ Weaning @ 600 lbs

- ***Expected Cash Price: \$284/cwt***

ESTIMATED AVERAGE COW CALF COSTS

Total Cash Cost Plus Pasture Rent, Annual



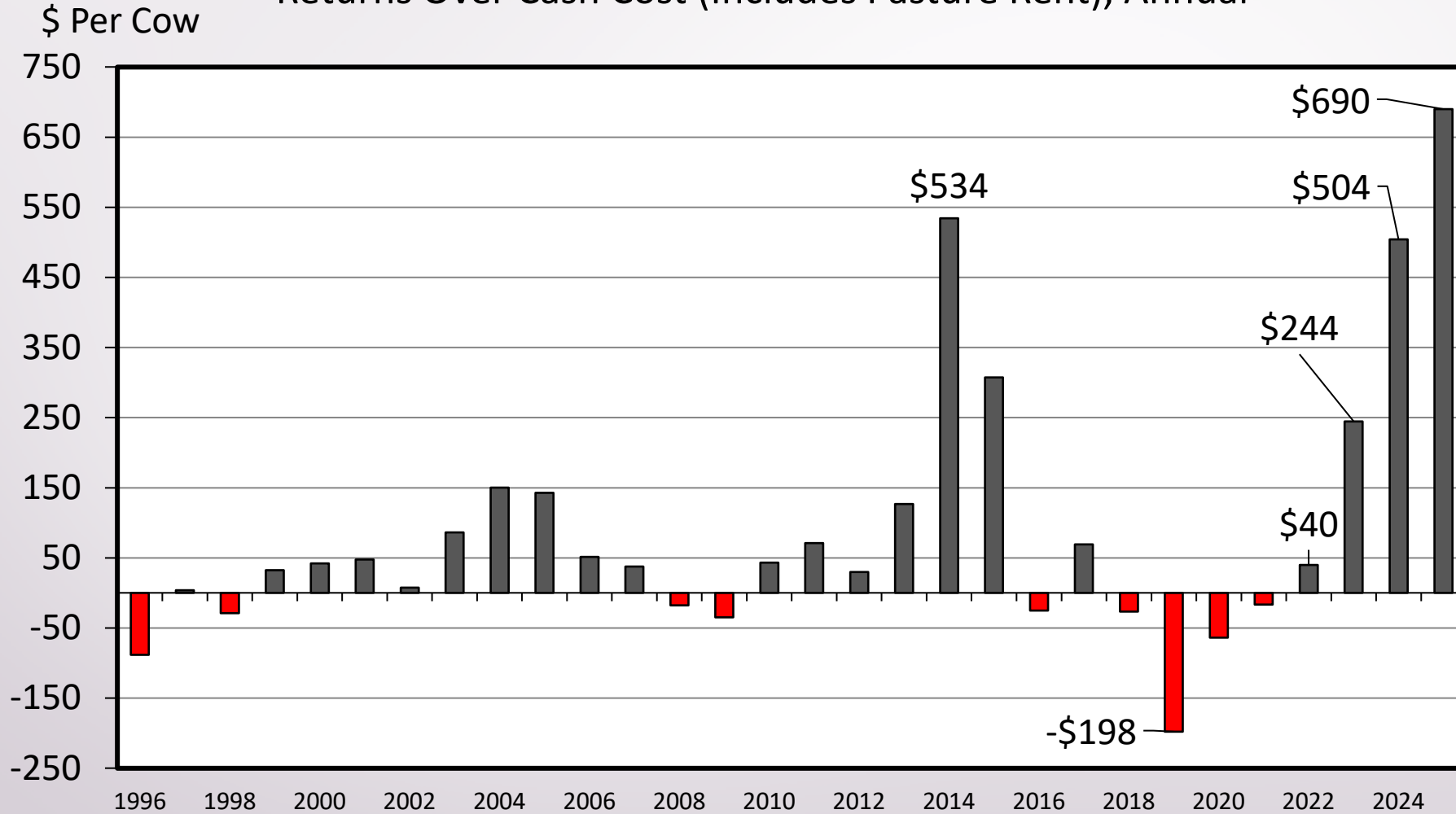
Data Source: USDA & LMIC, Compiled by LMIC

Livestock Marketing Information Center

09/19/23

ESTIMATED AVERAGE COW CALF RETURNS

Returns Over Cash Cost (Includes Pasture Rent), Annual



Data Source: USDA & LMIC, Compiled by LMIC
Livestock Marketing Information Center

C-P-66
09/19/23

KSU-Feeder Cattle Risk Management Tool

<https://www.agmanager.info/k-state-feeder-cattle-risk-management-tool>

KSU-Feeder Cattle Risk Management Tool

An Excel spreadsheet for evaluating feeder cattle risk management strategies



Version- 2.11.2023



KANSAS STATE UNIVERSITY | Agricultural Economics

INTRODUCTION

This spreadsheet was developed as a decision-aid tool for producers interested in managing feeder cattle price risk. It can be used to compare the Expected Net Selling Price using alternative risk management tools available for pricing feeder cattle.

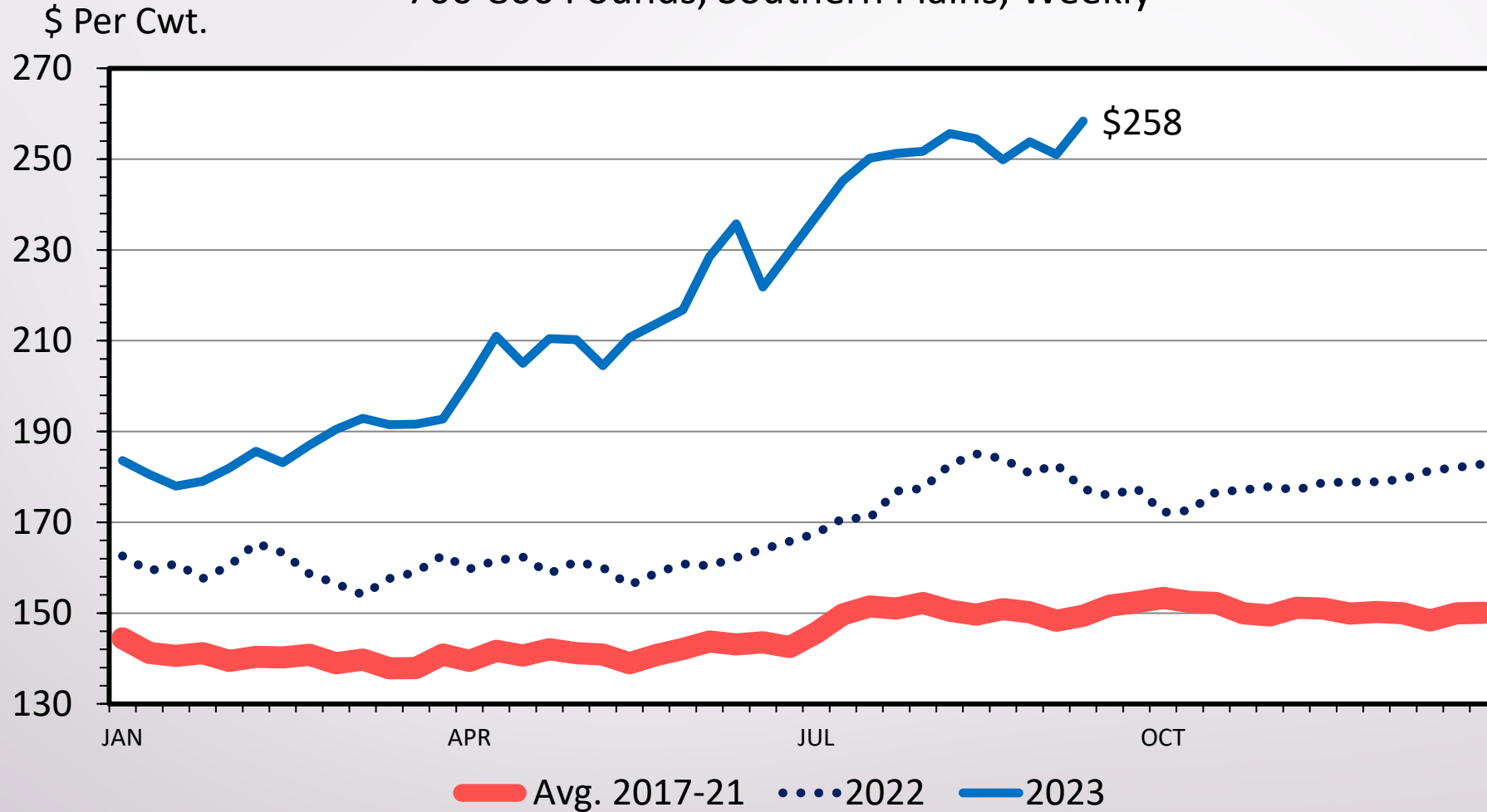
USDA Farm Service Agency Disaster Assistance Programs – Livestock

<https://www.fsa.usda.gov/programs-and-services/disaster-assistance-program/index>



MED. & LRG. #1 FEEDER STEER PRICES

700-800 Pounds, Southern Plains, Weekly



Data Source: USDA-AMS
Livestock Marketing Information Center

C-P-49
09/18/23

Want Feeder Cattle Price, Basis, & VOG Projections?
Use BeefBasis.com

*Salina **BACKGROUND** Market, as of 9/27*

10/18/2023 Buy/Retail @ 600 lbs
1/17/2024 Sell @ 725 lbs
ADG=1.4

- *Expected Buy Price: \$284/cwt*
- *Expected Sell Price: \$270/cwt*
 - *VOG: \$251/head (\$201/cwt)*

Want Feeder Cattle Price, Basis, & VOG Projections?
Use BeefBasis.com

*Salina **SUMMER GRASS** Market, as of 9/27*

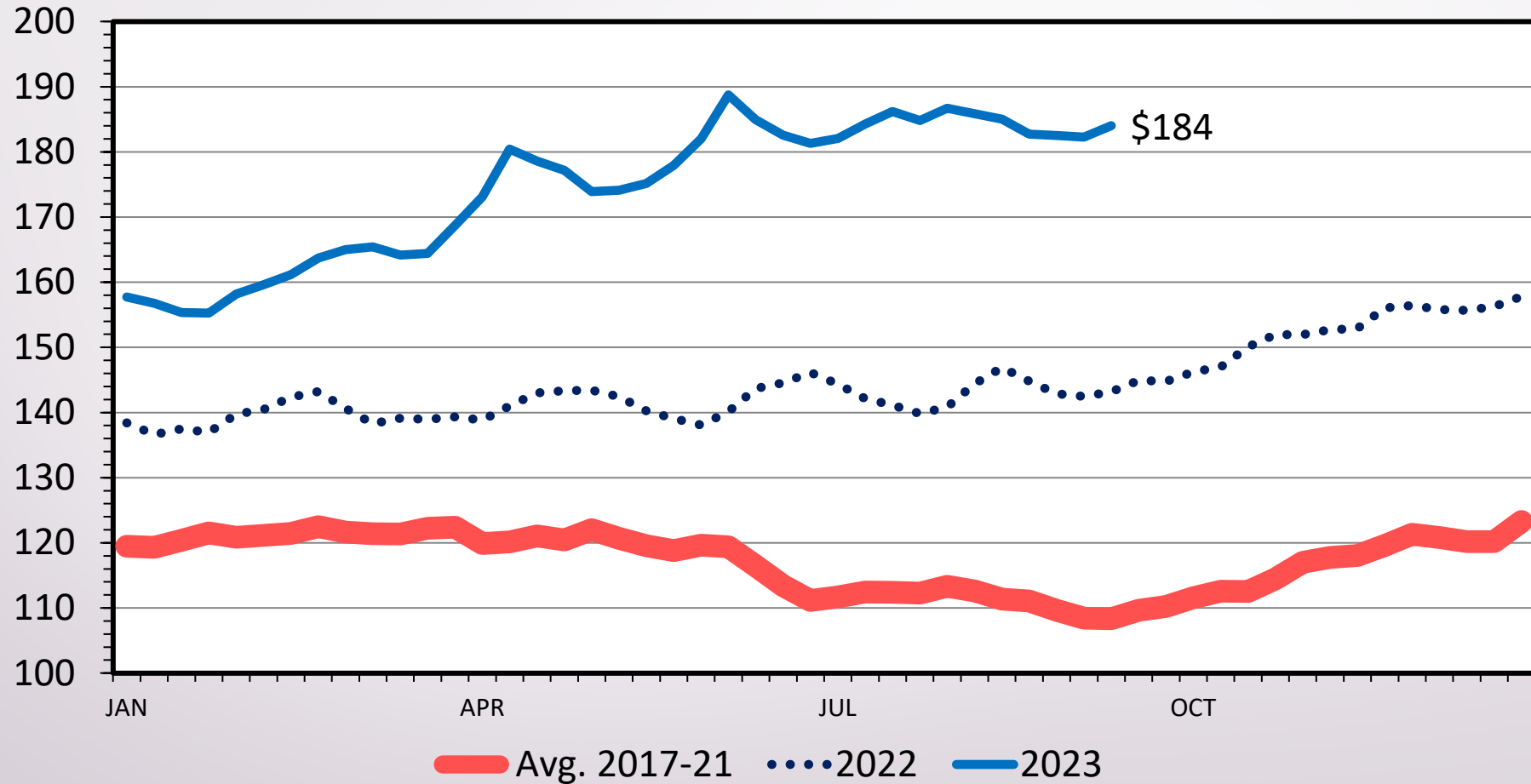
4/10/2024 Buy/Retail @ 725 lbs
8/21/2024 Sell @ 925 lbs
DOF=133 & ADG=1.5

- *Expected Buy Price: \$279/cwt*
- *Expected Sell Price: \$260/cwt*
- *VOG: \$190/cwt (\$380/head)*

SLAUGHTER STEER PRICES

5 Market Weighted Average, Weekly

\$ Per Cwt.



Data Source: USDA-AMS
Livestock Marketing Information Center

09/18/23

Historical and Projected Kansas Feedlot Net Returns (as of 9/15/23')

(<http://www.agmanager.info/livestock/marketing/outlook/newsletters/FinishingReturns/default.asp>)

July 23': +\$193/steer

Table 1. Projected Values for Finishing Steers in Kansas Feedyards*

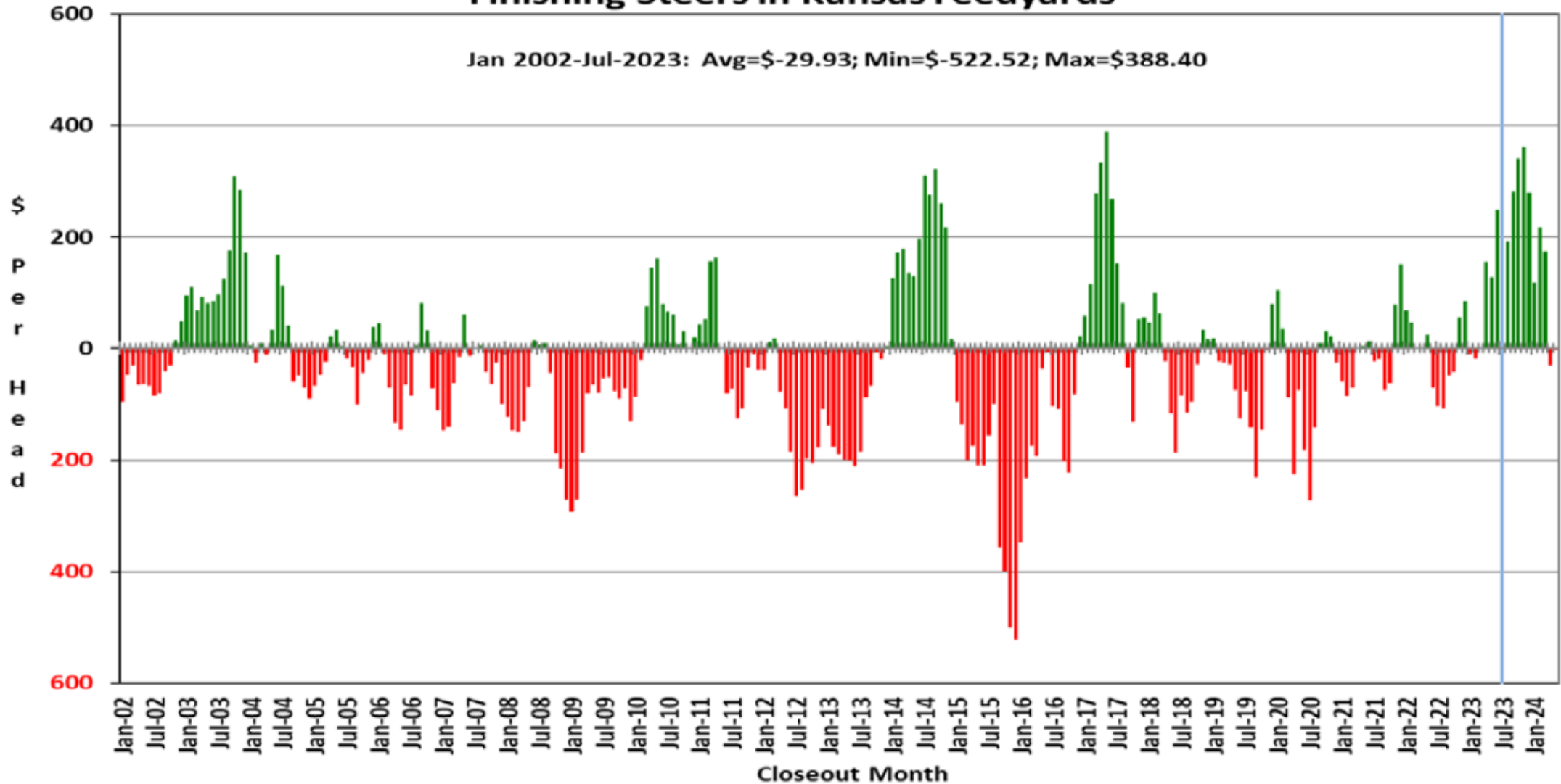
Closeout Mo-Yr	Net Return	FCOG**	Fed Price	Fed Futures	Fed Basis	Feeder Price	Breakeven FCOG**	Breakeven Fed Price	Breakeven Feeder Price
Aug-23	193.24	138.32	180.25	179.49	0.76	183.00	167.81	166.74	207.93
Sep-23	281.54	135.12	187.50	186.93	0.57	186.67	179.05	167.84	222.27
Oct-23	340.88	129.49	193.84	191.82	2.02	193.88	183.54	170.05	236.36
Nov-23	361.32	123.63	195.59	191.82	3.76	199.78	180.02	170.58	244.71
Dec-23	279.68	118.43	200.69	196.32	4.36	224.03	162.05	180.76	260.74
Jan-24	119.41	114.03	196.81	196.32	0.48	239.83	132.46	188.44	255.14
Feb-24	217.64	110.29	200.71	199.75	0.96	242.24	142.43	185.45	271.26
Mar-24	174.28	109.93	201.08	199.75	1.33	247.70	136.26	188.60	271.44
Apr-24	-30.94	107.70	196.69	193.82	2.87	263.07	102.84	198.90	259.01
May-24	-2.74	108.14	200.23	193.82	6.40	264.41	107.70	200.42	264.05

Representative Barometer for Trends in Profitability

Historical and Projected Kansas Feedlot Net Returns (as of 9/15/23')

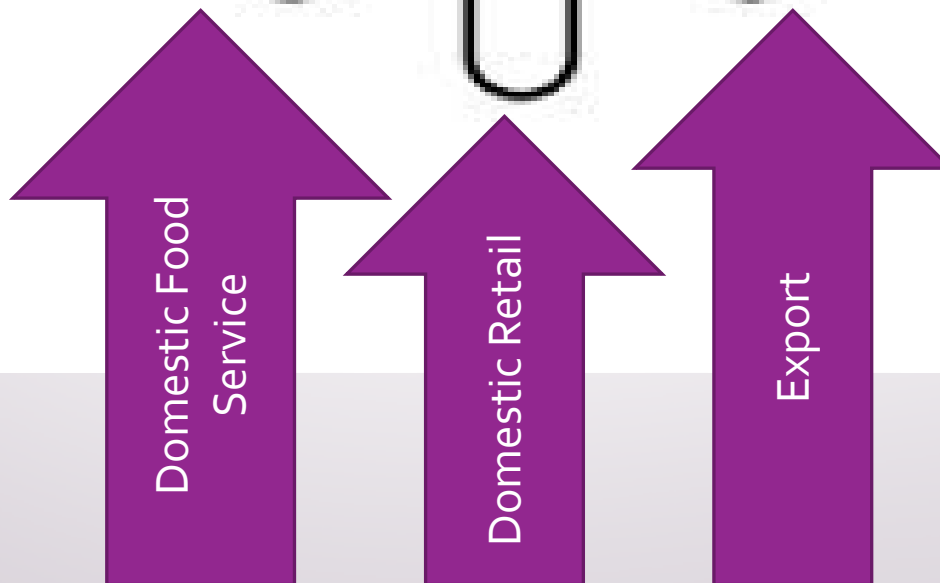
(<http://www.agmanager.info/livestock/marketing/outlook/newsletters/FinishingReturns/default.asp>)

Figure 1. Historical & Projected Average Net Returns for Finishing Steers in Kansas Feedyards



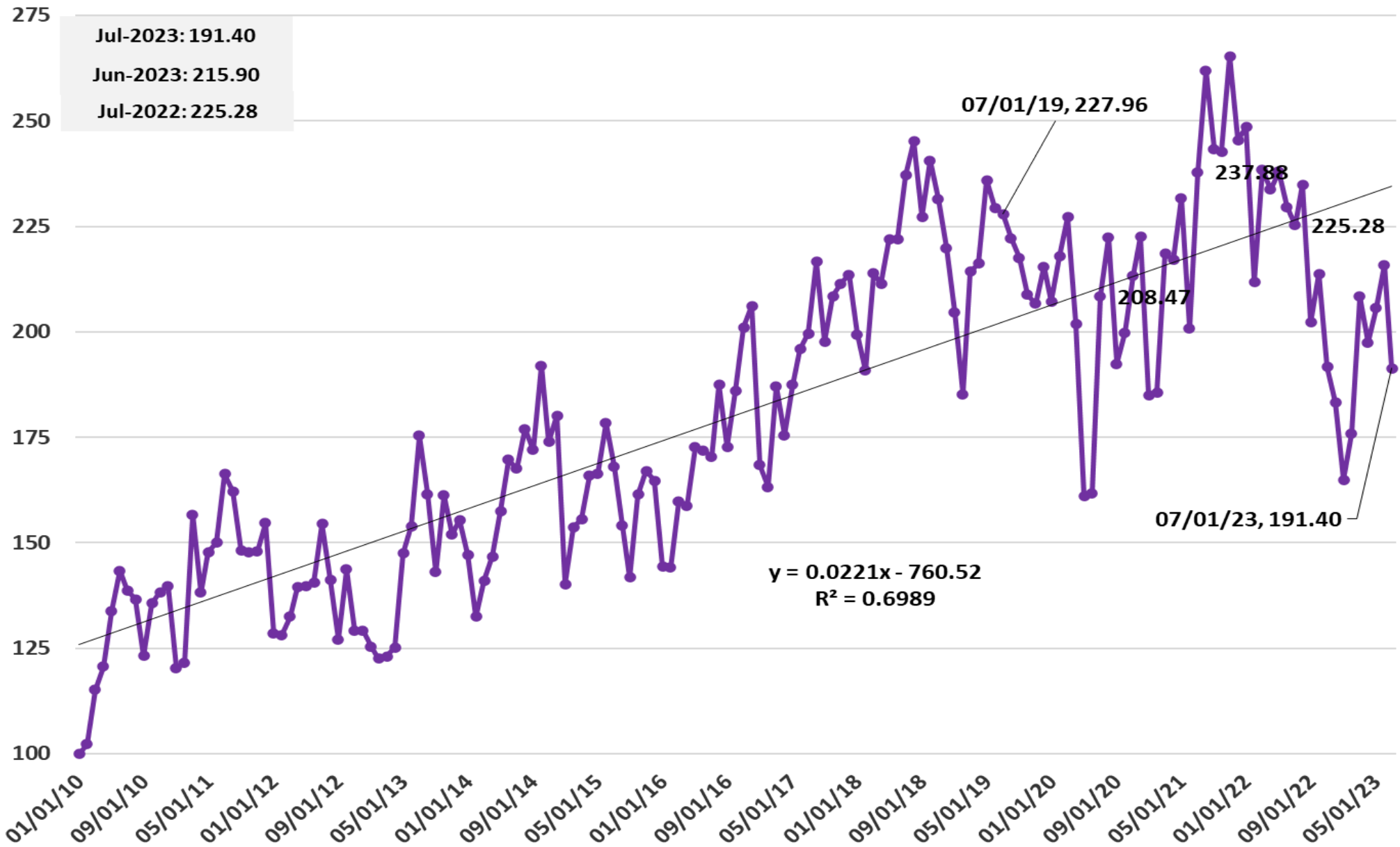


Beef Demand Patterns



See Nov 22' Extended Discussion w/ Matt Perrier on Practically Ranching:
<https://www.buzzsprout.com/1995747/11686340>

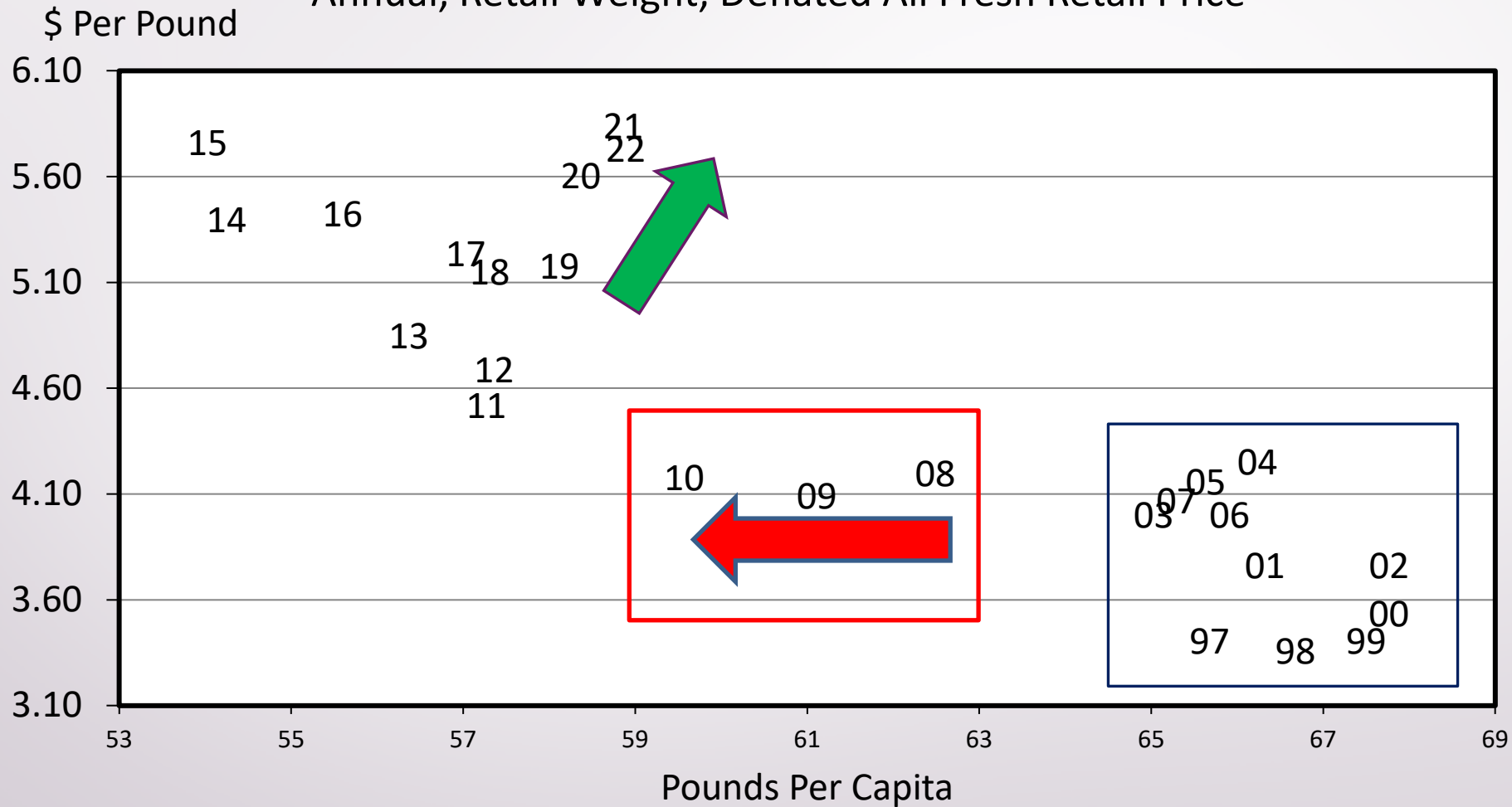
Monthly U.S. Beef, Export Demand Index, Jan. 2010 (base) - present



<https://www.agmanager.info/livestock-meat/meat-demand/monthly-export-meat-demand-indices-usdabls-data>

BEEF PRICE-QUANTITY RELATIONSHIP

Annual, Retail Weight, Deflated All Fresh Retail Price

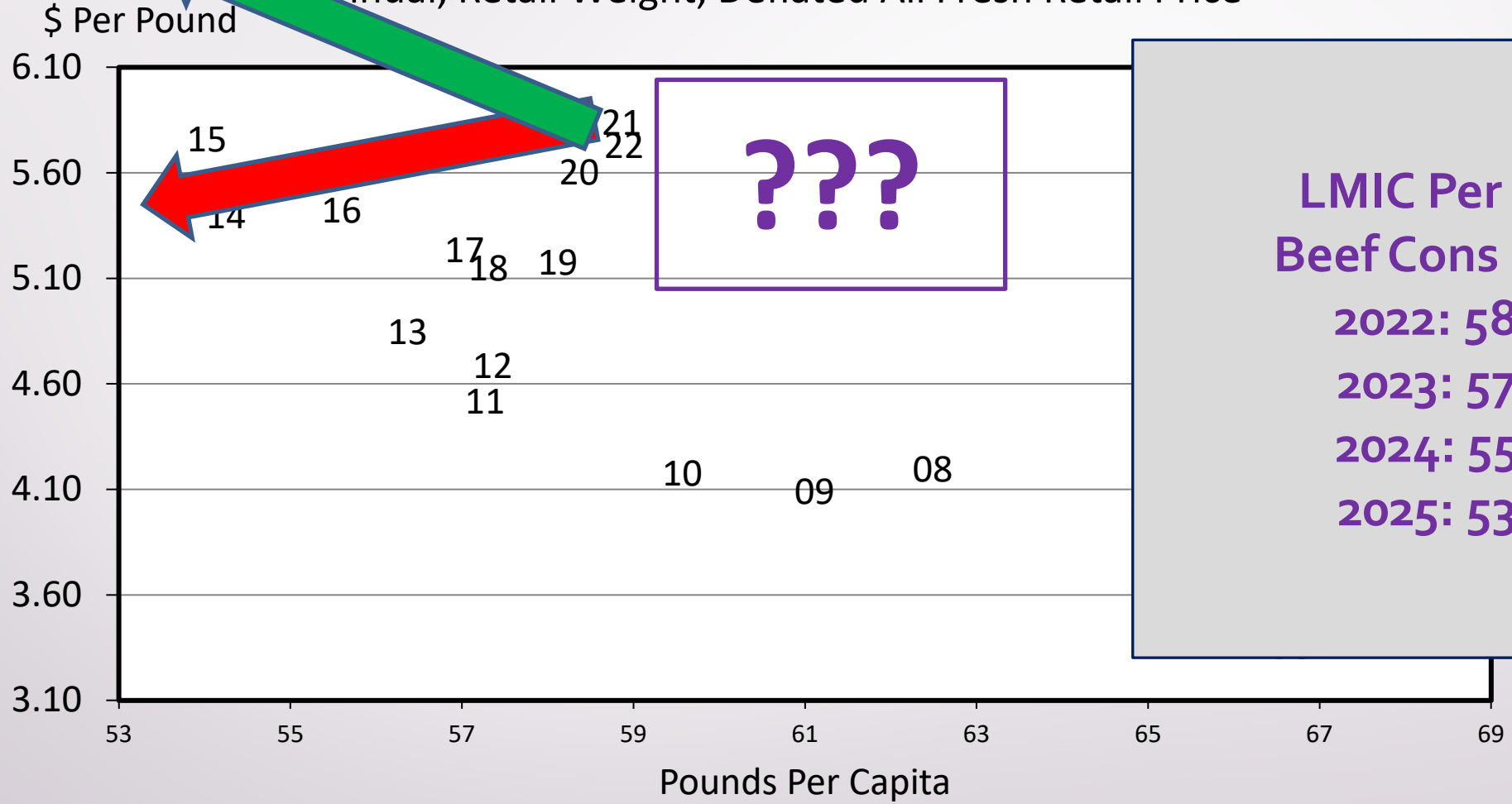


Data Source: Bureau of Economic Analysis & USDA-ERS, Compiled by LMIC
Livestock Marketing Information Center

C-P-65A
06/30/23

BEEF PRICE-QUANTITY RELATIONSHIP

Annual, Retail Weight, Deflated All Fresh Retail Price



LMIC Per Cap
Beef Cons (lbs):

2022: 58.9

2023: 57.0

2024: 55.0

2025: 53.1

Monthly Meat Demand Monitor, Methods, and Supporting Information

Home / Livestock & Meat / Meat Demand / Monthly Meat Demand Monitor [Survey Data]

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Livestock & Meat

[Projected Feeder Cattle Prices](#)

[Cattle Finishing Returns](#)

[Meat Demand](#)

[Meat Demand Research Studies](#)

[Monthly Domestic Meat Demand Indices \[USDA/BLS Data\]](#)

[Monthly Export Meat Demand Indices \[USDA/BLS Data\]](#)

[Monthly Meat Demand Monitor \[Survey Data\]](#)

Monthly Meat Demand Monitor [Survey Data]

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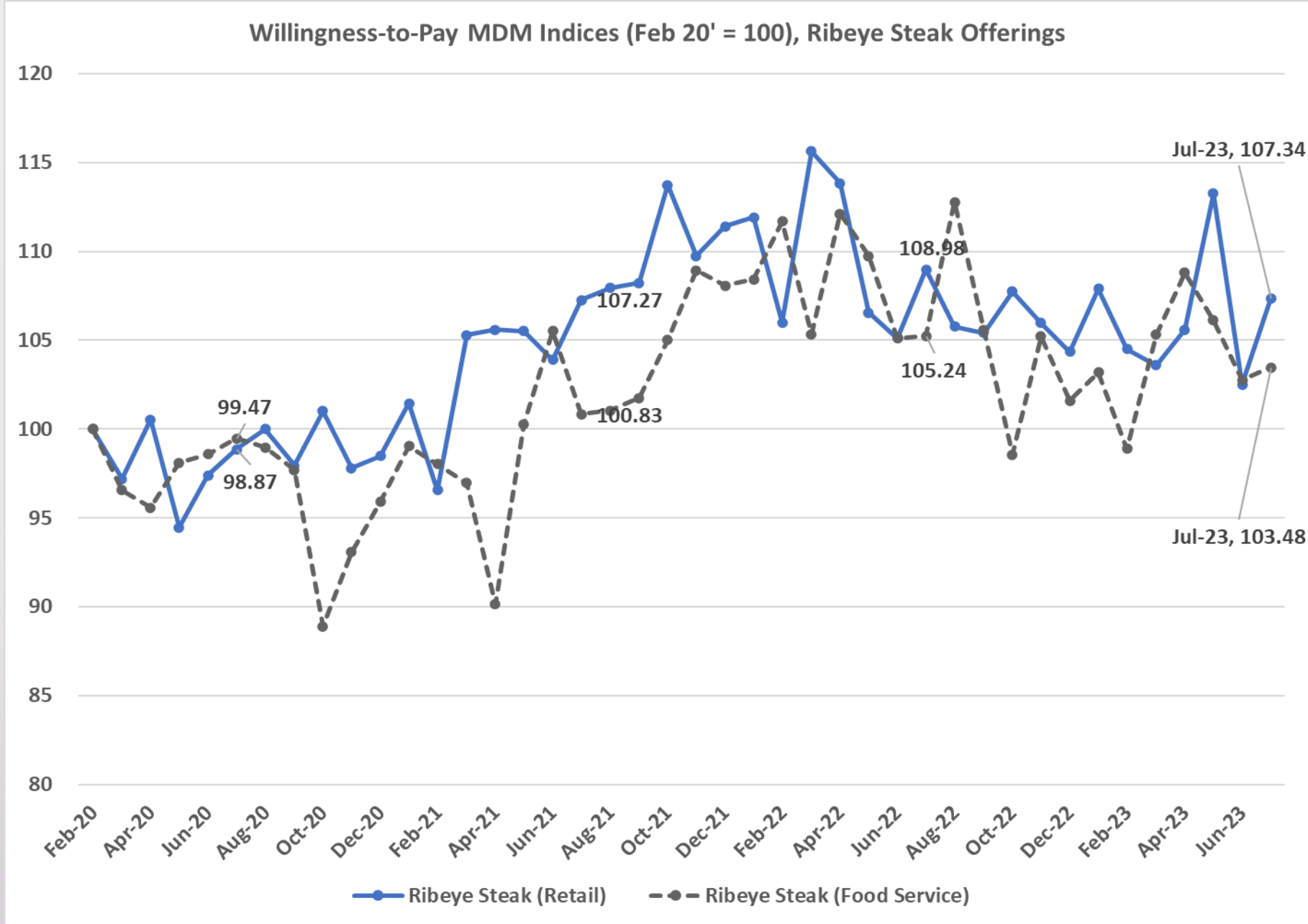
The Meat Demand Monitor (MDM) project is funded in-part by the beef checkoff and the pork checkoff. Monthly reports and supporting documentation are available here.



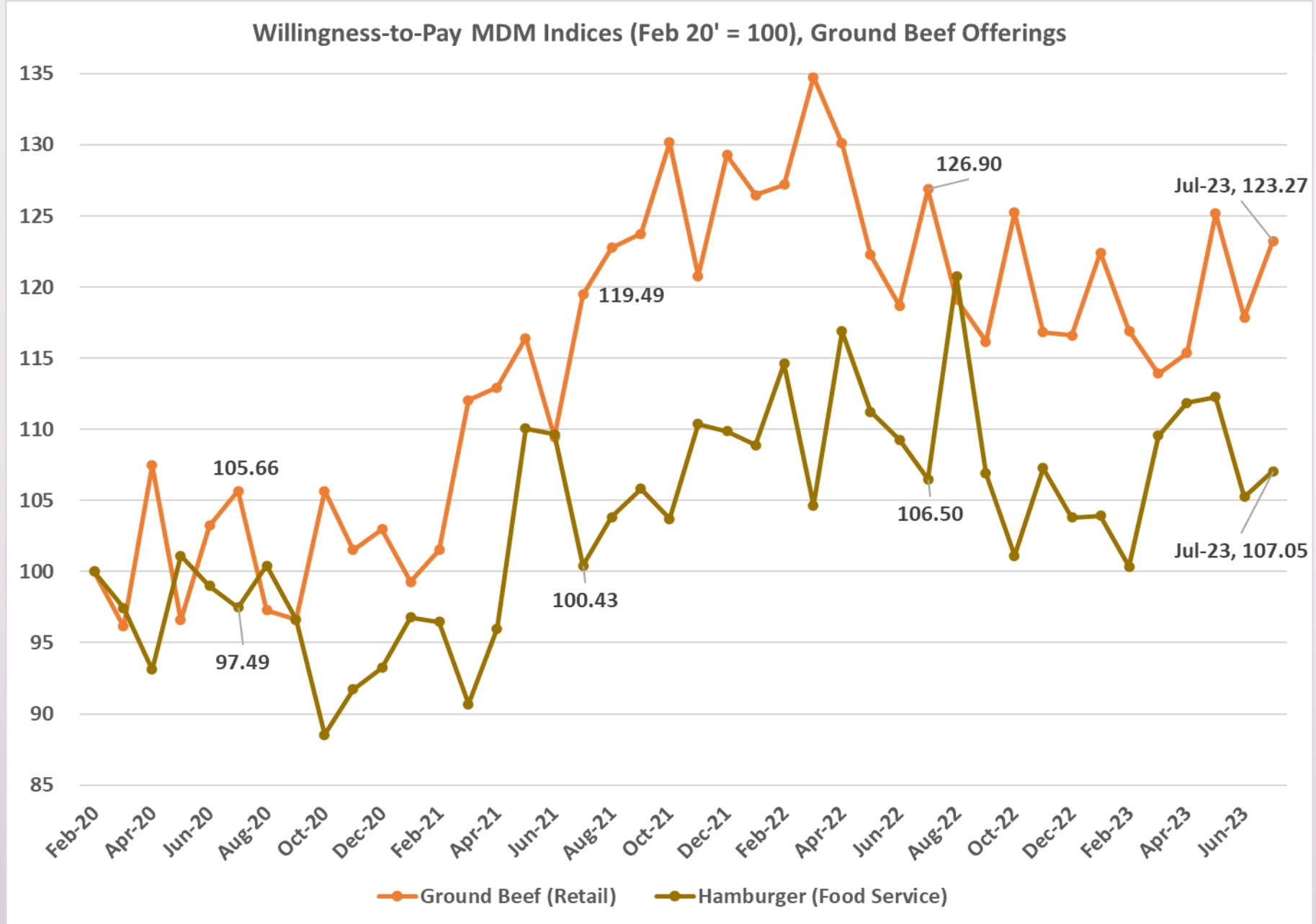
Monthly Meat Demand Monitor

Title	Author	Date	Downloads
Meat Demand Monitor - August 2020	Tonsor	September 4, 2020	Downloads
Meat Demand Monitor - July 2020	Tonsor	August 4, 2020	Downloads
Meat Demand Monitor - February-June 2020 Summary Report	Tonsor	July 27, 2020	Downloads
Meat Demand Monitor - June 2020	Tonsor	July 2, 2020	Downloads
Meat Demand Monitor - May 2020	Tonsor	May 29, 2020	Downloads
Meat Demand Monitor - Coronavirus (COVID-19) Impact on U.S. Meat Demand:	Tonsor	May 12, 2020	Downloads

<https://www.agmanager.info/livestock-meat/meat-demand/monthly-meat-demand-monitor-survey-data>



<https://www.agmanager.info/livestock-meat/meat-demand/monthly-meat-demand-monitor-survey-data>



<https://www.agmanager.info/livestock-meat/meat-demand/monthly-meat-demand-monitor-survey-data>

Meat Demand Outdoes Meat Avoidance

Meat Science 190 (2022) 108843



Contents lists available at [ScienceDirect](#)

Meat Science

journal homepage: www.elsevier.com/locate/meatsci



U.S. perspective: Meat demand outdoes meat avoidance

Glynn T. Tonsor^a, Jayson L. Lusk^{b,*}

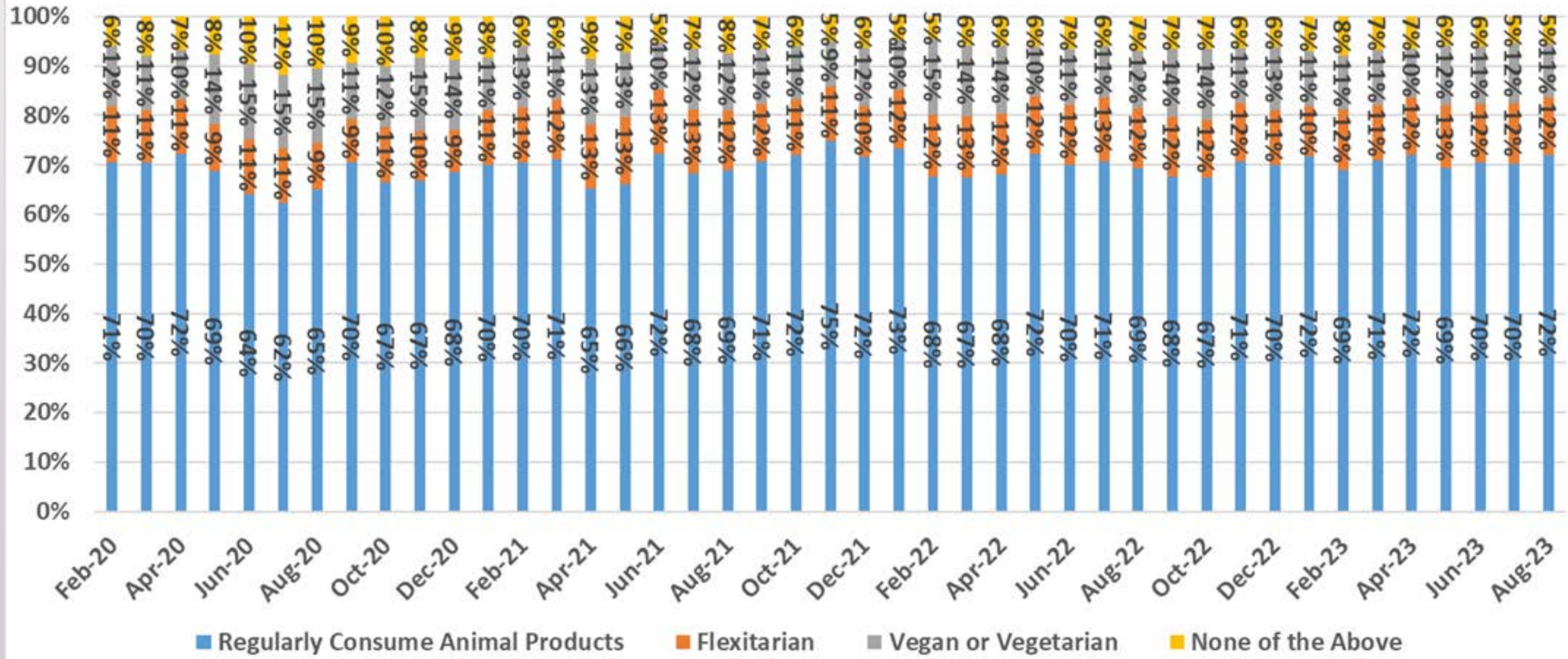
^a Department of Agricultural Economics, Kansas State University, United States of America

^b Department of Agricultural Economics, Purdue University, United States of America



<https://www.sciencedirect.com/science/article/pii/S0309174022001115>

Self-Declared Diet, Feb. 2020 - Aug. 2023 (Source: MDM Project)



Summer 2022, Inflation in U.S. Was Highest in 4 Decades

FRED — Median Consumer Price Index



Shaded areas indicate U.S. recessions.

Source: Federal Reserve Bank of Cleveland

fred.stlouisfed.org

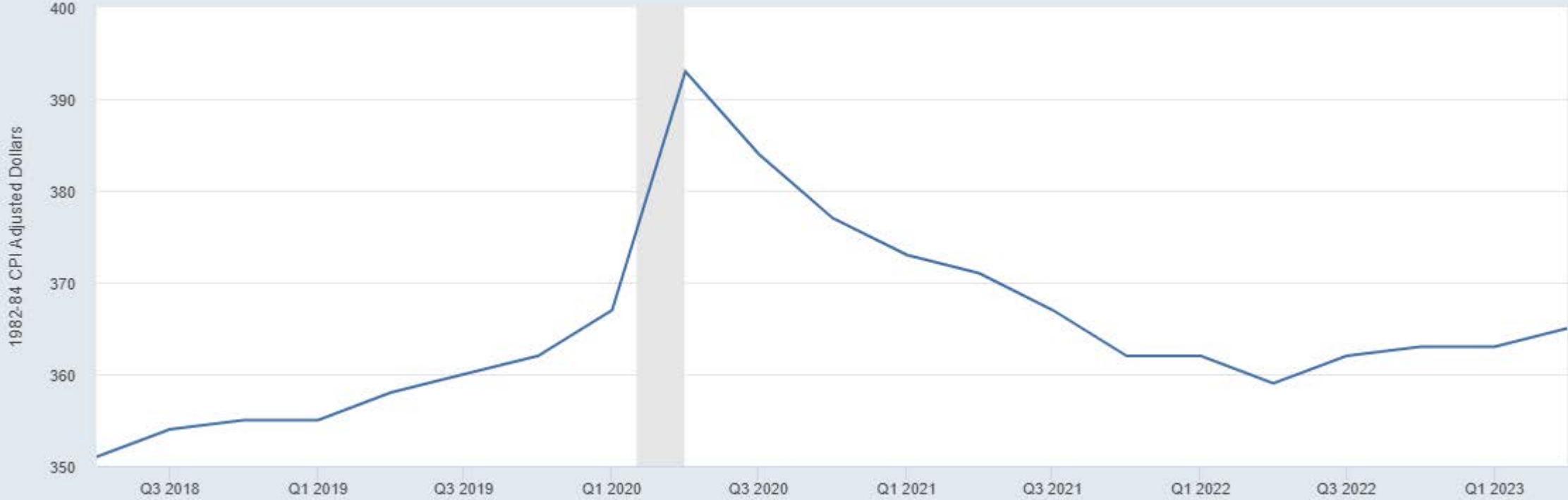
<https://fred.stlouisfed.org/series/MEDCPIM158SFRBCLE#>

Real Wages Are Key



FRED

— Employed full time: Median usual weekly real earnings: Wage and salary workers: 16 years and over

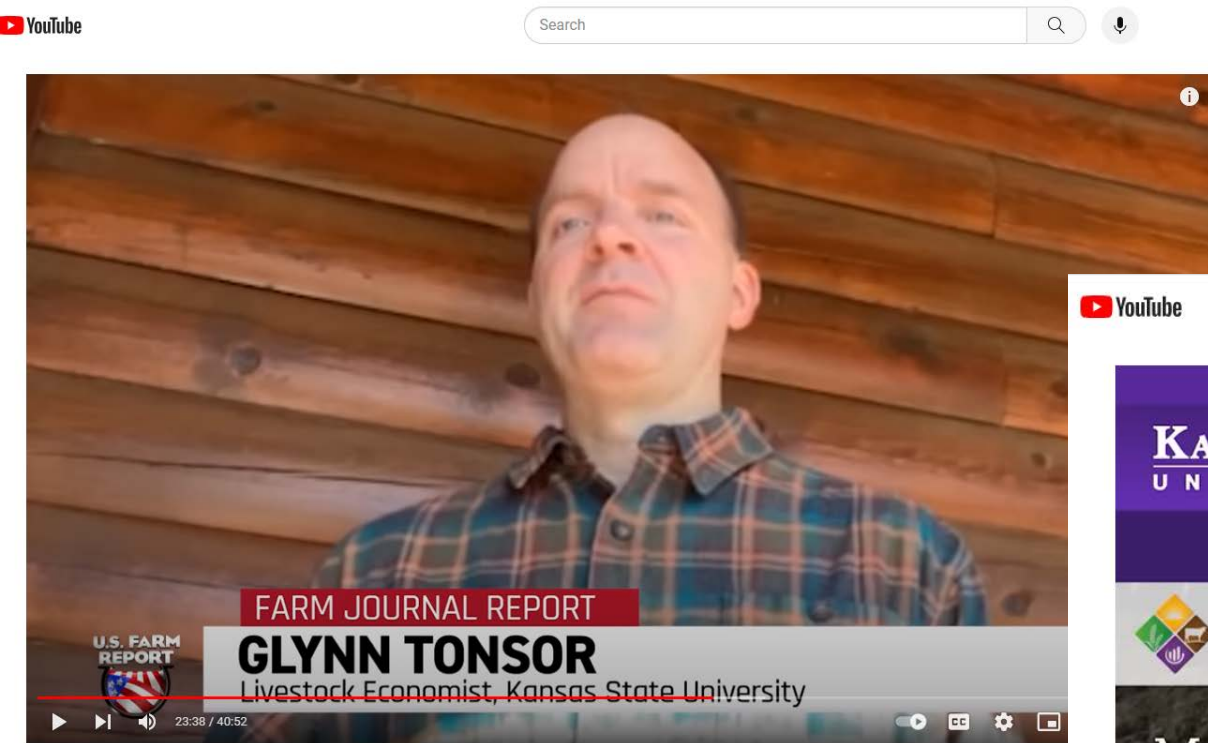


Shaded areas indicate U.S. recessions.

Source: U.S. Bureau of Labor Statistics

fred.stlouisfed.org

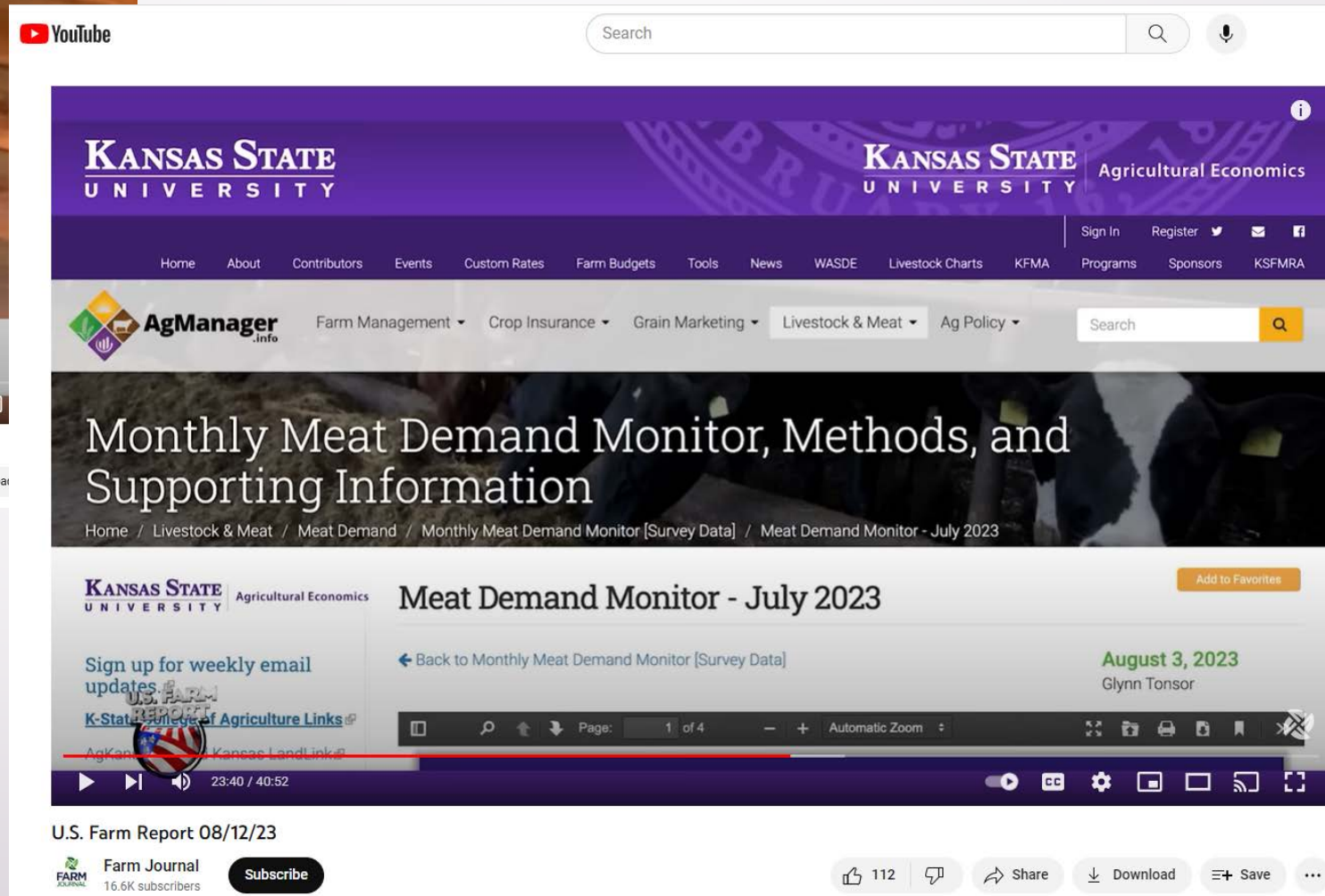
<https://fred.stlouisfed.org/series/LES1252881600Q#>



U.S. Farm Report 08/12/23

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<https://www.youtube.com/watch?v=fEjc8owWi2g>

(see ~20 min mark of 8/12/23 USFR segment with Tyne Morgan, Lee Schulz, & Scott Brown)



More information available at:



This presentation will be available in PDF format at:

<http://www.agmanager.info/about/contributors/individual/tonsor.asp>

Host of additional industry resources are cross-linked as well

Economic Importance of Meat

AMSA IMPROVE Summit

Dallas TX April 17-19, 2023

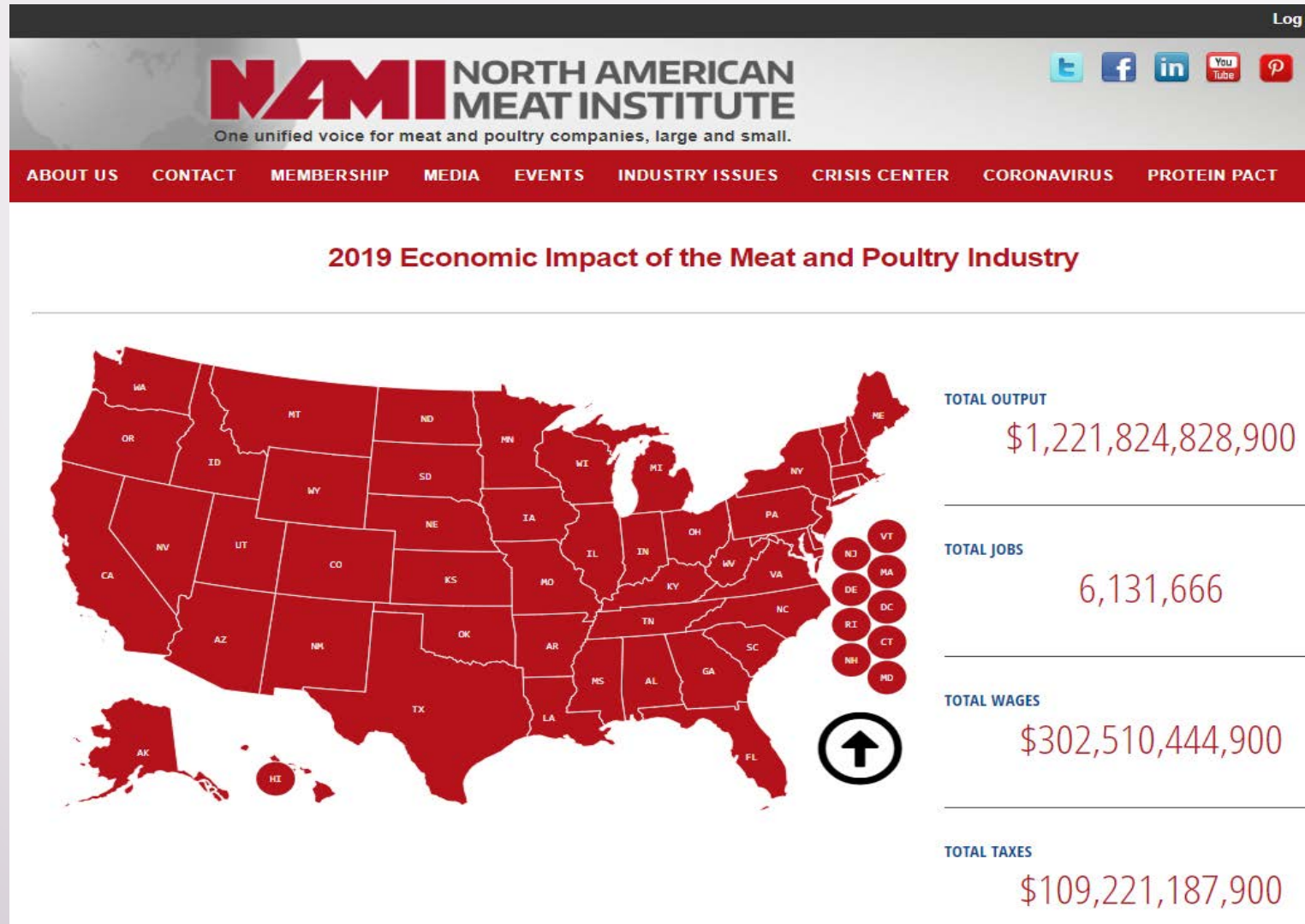
Dr. GLYNN T. TONSOR

EMAIL: gtonsor@ksu.edu

Twitter: [@TonsorGlynn](https://twitter.com/TonsorGlynn)



Economic Impact of Meat Industry: 2019 Data



NAMI study by John Dunham & Associates

<https://www.meatinstitute.org/index.php?ht=d/sp/i/156726/pid/156726>

2023 USRSB General Assembly:
COLLABORATING FOR CONTINUOUS IMPROVEMENT



MAY 2-4, 2023

THE GROVE HOTEL
BOISE, IDAHO



Societal Role of Meat



Dr. GLYNN T. TONSOR

EMAIL: gtonsor@ksu.edu

Twitter: [@TonsorGlynn](https://twitter.com/TonsorGlynn)

Unfunded Mandate is NOT Unique to Environmental Impact



ANIMAL FRONTIERS

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I Will Give You My Vote but Not My Money: Preferences for Public versus Private Action in Addressing Social Issues

Franklin Bailey Norwood  Glynn Tonsor, Jayson L Lusk

First published: 12 March 2018 | <https://doi.org/10.1093/aep/ppy002> | Citations: 9

Get It @ K-State

Senior authorship is shared equally between Norwood and Tonsor.
This article is published and distributed under the terms of the Oxford University Press, Standard Journals Publication Model (



Volume 8, Issue 1
January 2018

Article Contents

JOURNAL ARTICLE

Public animal welfare discussions in the United States: perspectives from a Missouri farm boy turned economist

Glynn T Tonsor 

Animal Frontiers, Volume 8, Issue 1, January 2018, Pages 4–7,
<https://doi.org/10.1093/af/vfx002>

Published: 11 April 2018

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Lessons From Past
“Societal Challenge Efforts”

**Science Working is Necessary
but NOT Sufficient!**



WESTERN AGRICULTURAL
ECONOMICS ASSOCIATION

CANADIAN AGRICULTURAL ECONOMICS SOCIETY/
SOCIÉTÉ CANADIENNE D'AGROÉCONOMIE

JOINT ANNUAL MEETING

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WAEA
2023**



**JULY 17-20
2023**



**WHISTLER RESORT
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<https://caes-scae.ca>
<https://waeonline.org>

Supply Chain Resilience in the Agri-Food Sector: *Insights on Meat & Livestock Sector Resiliency*



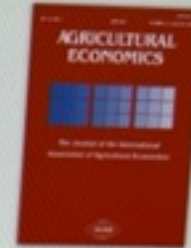
Dr. GLYNN T. TONSOR

EMAIL: gtonsor@ksu.edu

Twitter: [@TonsorGlynn](https://twitter.com/TonsorGlynn)

Overall, in U.S. 2020 Meat Consumption (lbs per capita) **INCREASED!**

	Beef	Pork	Chicken	Turkey	Total Red Meat & Poultry
2018	57.3	51.0	92.6	16.0	219.6
2019	58.1	52.4	95.1	15.8	224.1
2020	58.4	51.9	96.1	15.5	224.8
2021	58.9	51.0	96.4	15.0	224.3
2022	58.9	50.9	98.5	14.4	225.7
vs 2019					
2020	100.4%	99.2%	101.1%	98.3%	100.3%
2021	101.3%	97.4%	101.4%	95.1%	100.1%
2022	101.3%	97.1%	103.6%	91.4%	100.7%



Volume 52, Issue 3

May 2021

Pages 441-458

ORIGINAL ARTICLE | Open Access | CC BY-NC-ND

Impacts of COVID-19 and Price Transmission in U.S. Meat Markets

A. Ford Ramsey, Barry K. Goodwin, William F. Hahn, Matthew T. Holt

First published: 04 May 2021 | <https://doi.org/10.1111/agec.12628> | Citations: 23

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SECTIONS

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Recommended

[How Meat Demand Elasticities Vary with Price, Income, and Product Category](#)

Jayson L. Lusk, Glynn T. Tonsor

Applied Economic Perspectives and Policy

Abstract


Coronavirus 2019 (COVID-19) has caused ongoing disruptions to U.S. meat markets via demand and supply-side shocks. Although high prices have

Ramsey et al (2021) abstract:
“... Early COVID-19 related shocks appear to be transitory with prices returning to expected levels at a pace consistent with the speed of transmission prior to the pandemic. **This well-functioning market process suggests a degree of resilience in U.S. meat supply chains.**”

<https://onlinelibrary.wiley.com/doi/full/10.1111/agec.12628>

ARTICLE

Market structure and resilience of food supply chains under extreme events




Jeffrey Hadachek, Meilin Ma, Richard J. Sexton 

First published: 27 February 2023 | <https://doi.org/10.1111/ajae.12393>

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Funding information: USDA-ERS; 58-3000-0-0037

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


Abstract

Recent extreme events and the disruptions they caused have made food supply chain resilience a key topic for researchers and policymakers. This



[Early View](#)

Online Version of Record
before inclusion in an
issue

 References  Related  Information

Recommended

[Whose resilience matters?
Addressing issues of scale in supply
chain resilience](#)

David C. Novak, Zhaohui Wu,
Kevin J. Dooley

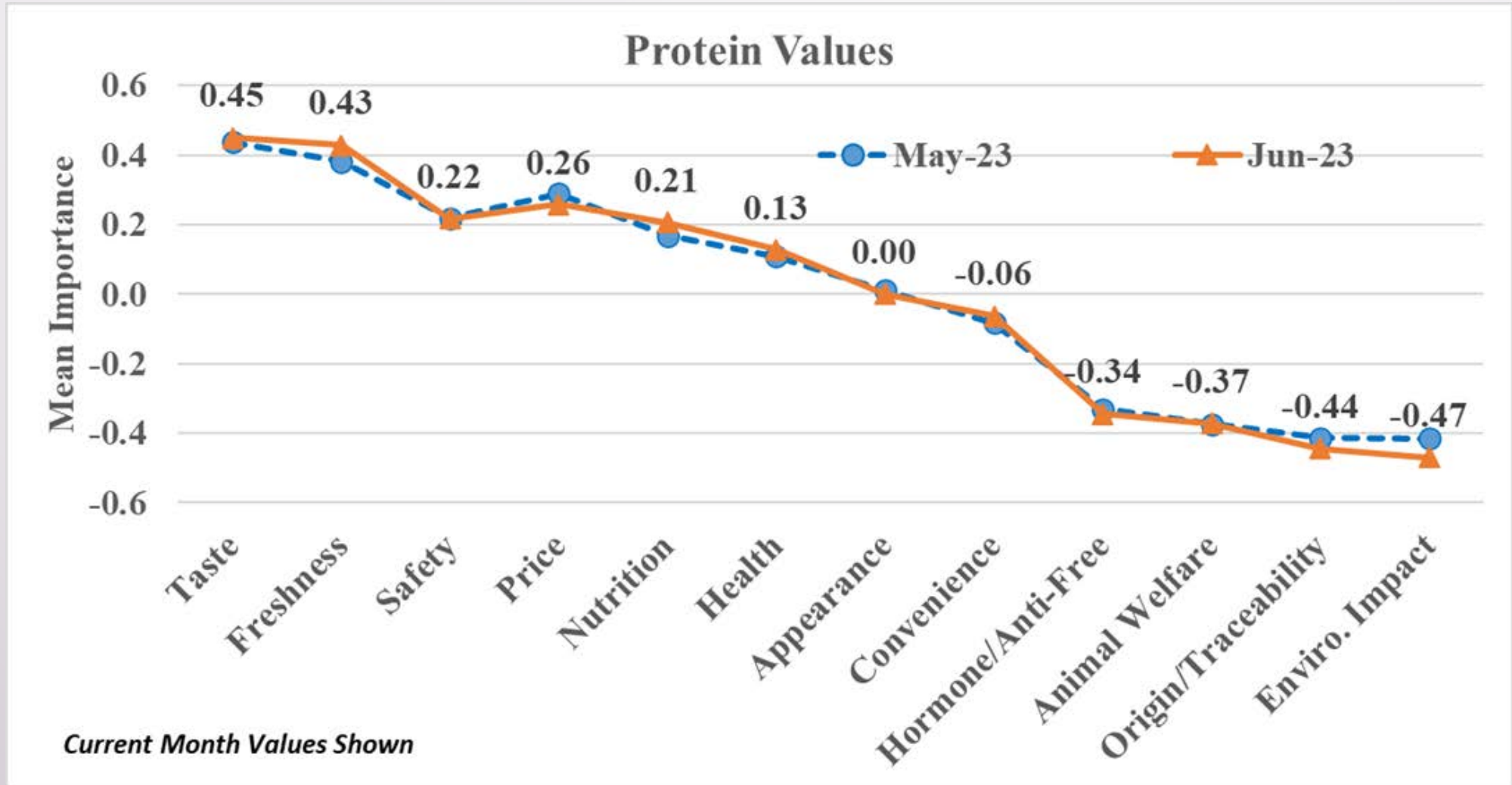
Journal of Business Logistics

[Two perspectives on supply chain
resilience](#)

**Hadachek, Ma, & Sexton
(2023) abstract:**
“... Results show that some
of the policies have
potential to improve
supply-chain resilience, but
their impacts depend on
the existing market
structure, **and resilience
gains often come at the
cost of reduced
efficiency.**”

<https://onlinelibrary.wiley.com/doi/abs/10.1111/ajae.12393>

Protein Values (MDM): **PRICE MATTERS!**





<http://library.meetingplace.com/publication/frame.php?i=727245&p=72&pn=&ver=html5>

- “Any good business plan or policy needs a clearly stated goal... and I think there are conflicting goals...”



- <http://library.meetingplace.com/publication/frame.php?i=727245&p=72&pn=&ver=html5>
“Any good business plan or policy needs a clearly stated goal... and I think there are conflicting goals...”

- cleanly define “resiliency” & use data (vs emotion & opinion) to assess industry
- then identify areas where “resiliency” may be increased with minimal “unintended,” adverse consequences

