

# Beef Cattle Market Outlook



**Louisiana Agricultural Outlook Forum  
January 14, 2025**

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LSU AgCenter**

# Current Summary of Market Situation

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- Market being driven primarily by tight cattle numbers
- Continued strong beef demand combined with lower supplies puts more market influence at cattle producer level
- Record high prices – counter seasonal price improvement due to strong demand and suspension of cattle imports from Mexico due to screwworm issue.
- Lower costs of gains provides additional support to feeder and calf prices
- Lower input costs and historic cattle prices provides strong profitability for cow/calf sector

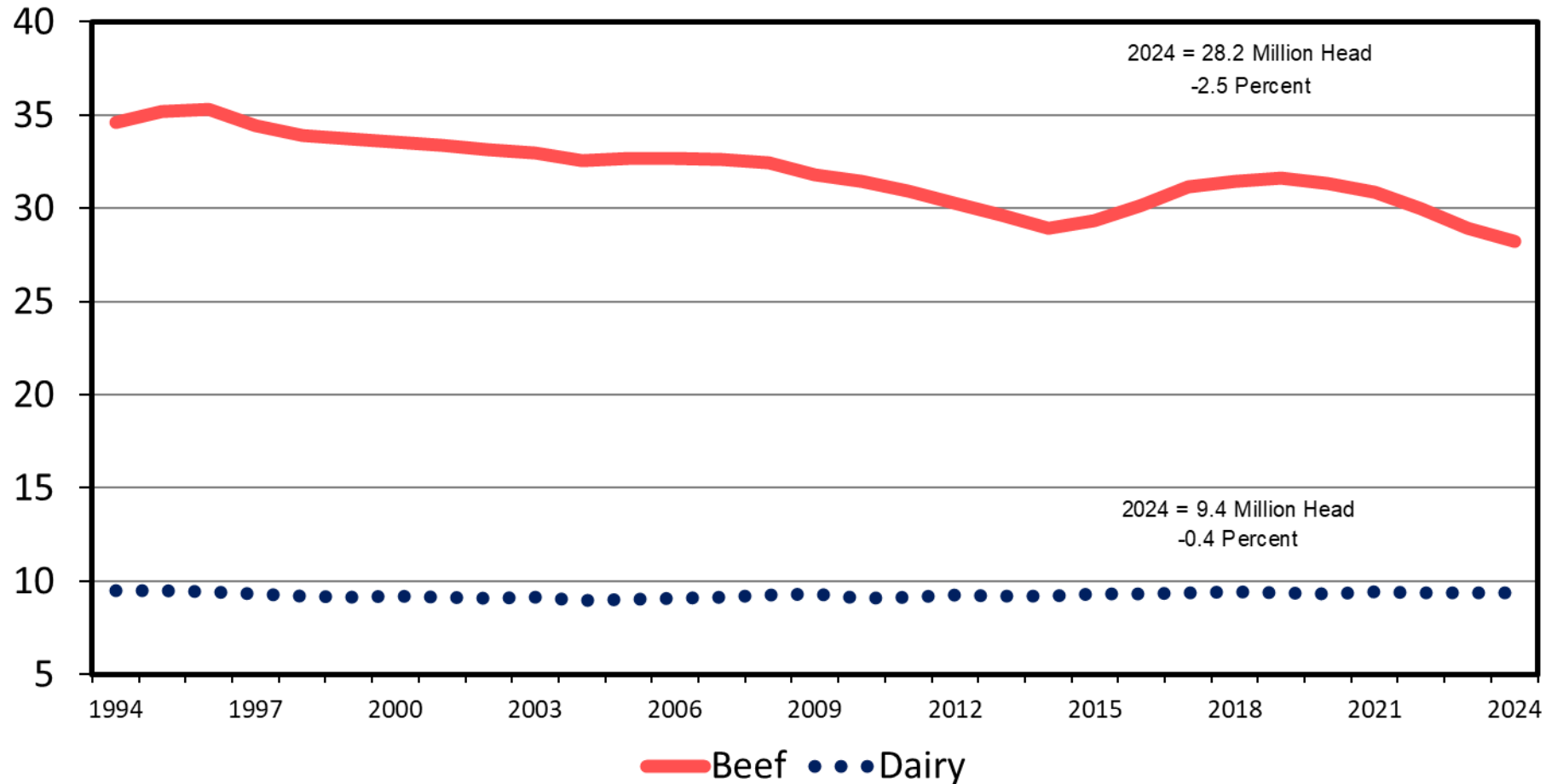
# **Tight Cattle Supplies Have Prevailed**

**What will January 31<sup>st</sup>  
Inventory Report Show?**

# JANUARY 1 COW INVENTORY

U.S., Annual

Mil. Head



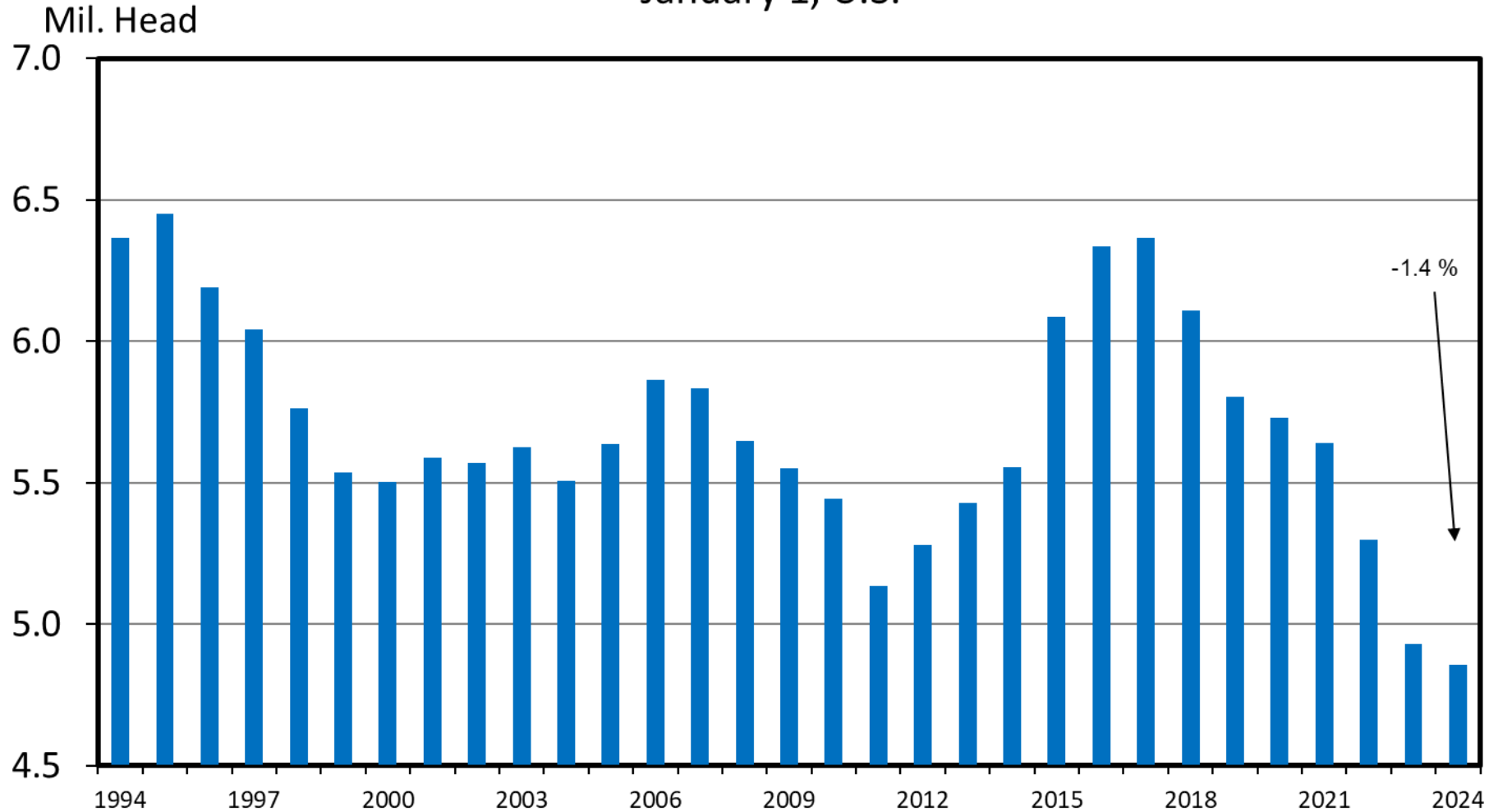
Data Source: USDA-NASS

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C-N-02  
03/13/24

# HEIFERS HELD AS BEEF COW REPLACEMENTS

January 1, U.S.



Data Source: USDA-NASS

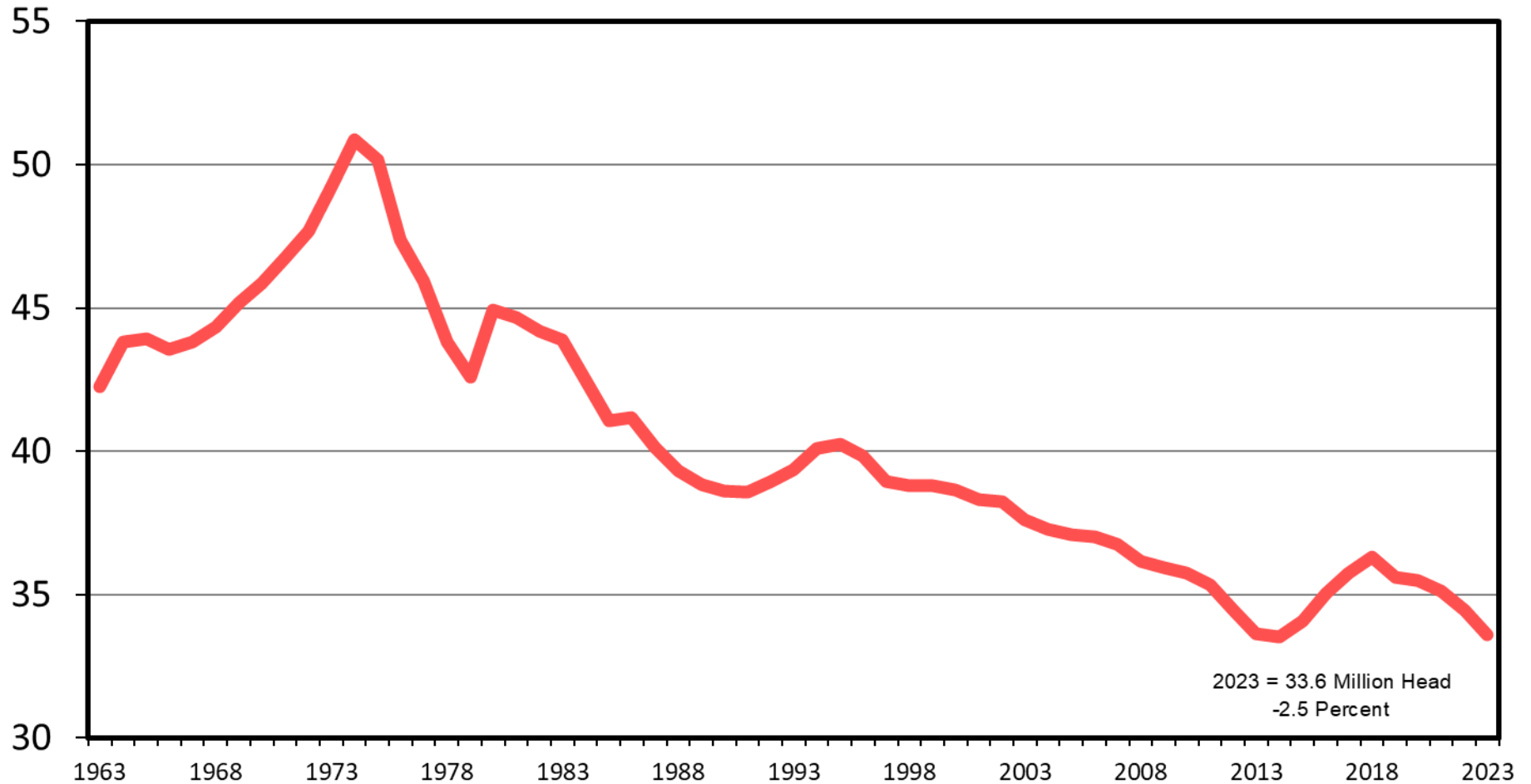
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03/13/24

# CALF CROP

U.S., Annual

Mil. Head

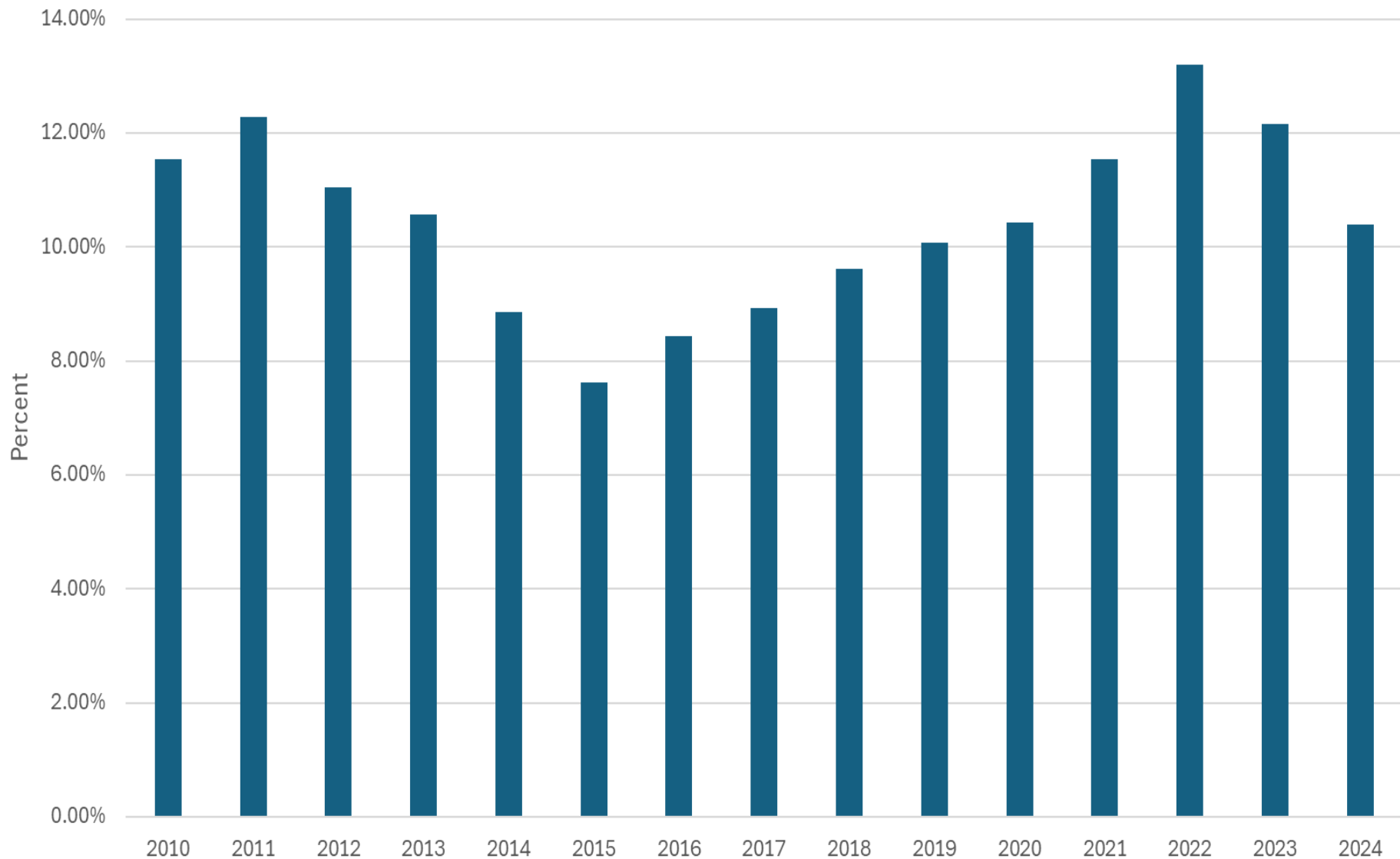


Data Source: USDA-NASS

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03/13/24

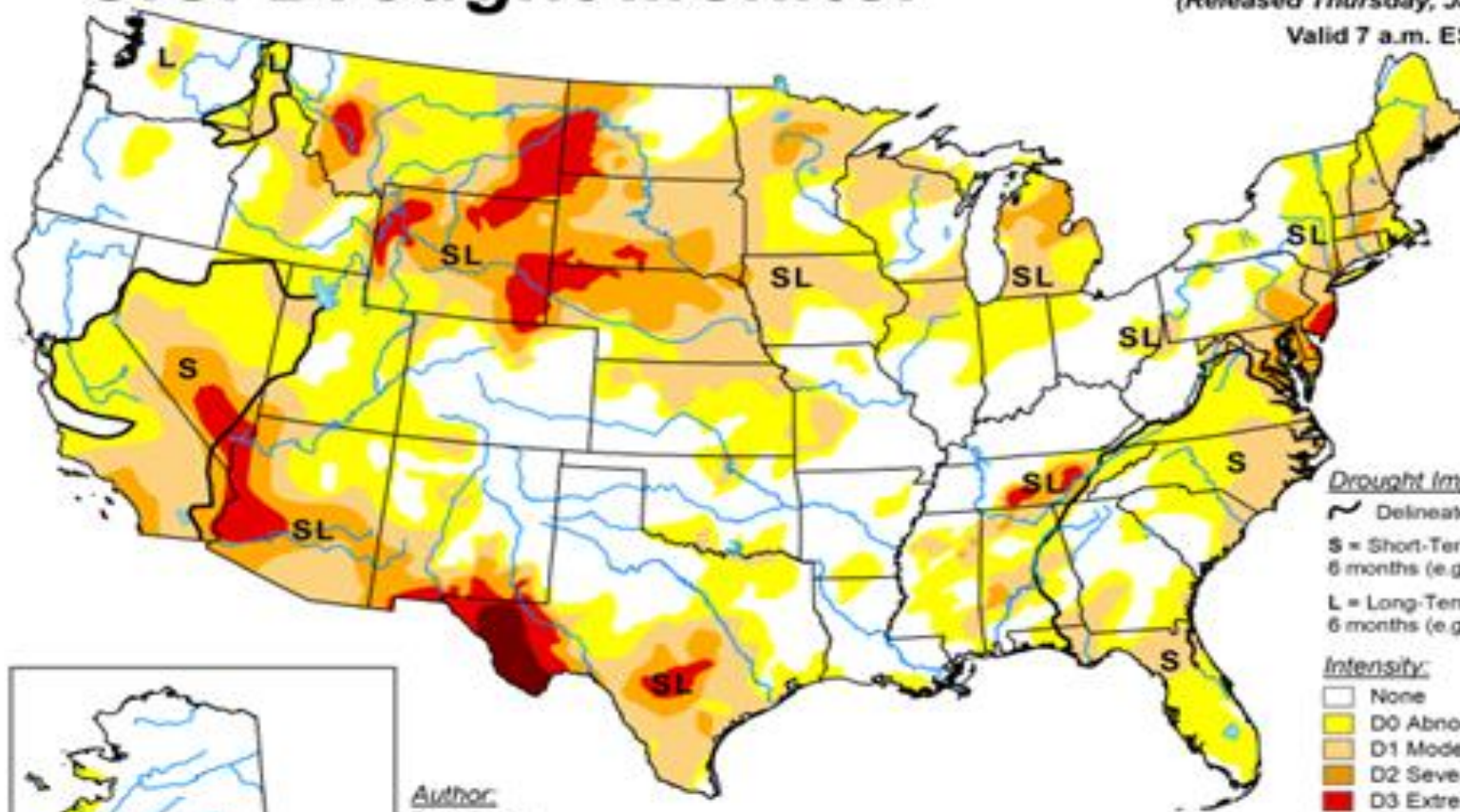
# Cow Slaughter as a Percent of Cow Inventory





# U.S. Drought Monitor

January 7, 2025  
(Released Thursday, Jan. 9, 2025)  
Valid 7 a.m. EST



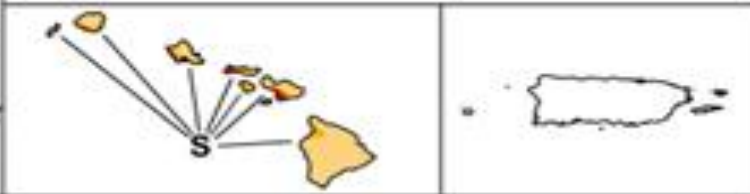
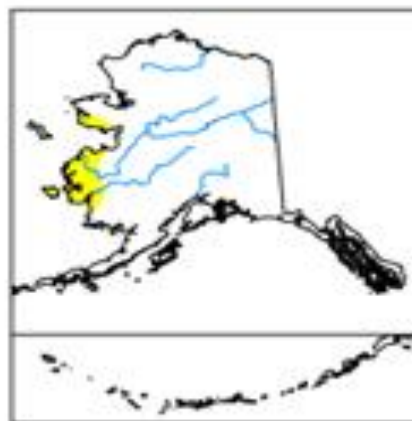
## Drought Impact Types:

- ~ Delineates dominant impacts
- S = Short-Term, typically less than 6 months (e.g. agriculture, grasslands)
- L = Long-Term, typically greater than 6 months (e.g. hydrology, ecology)

## Intensity:

- None
- D0 Abnormally Dry
- D1 Moderate Drought
- D2 Severe Drought
- D3 Extreme Drought
- D4 Exceptional Drought

Author:  
Brad Pugh  
CPC/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](https://droughtmonitor.unl.edu)

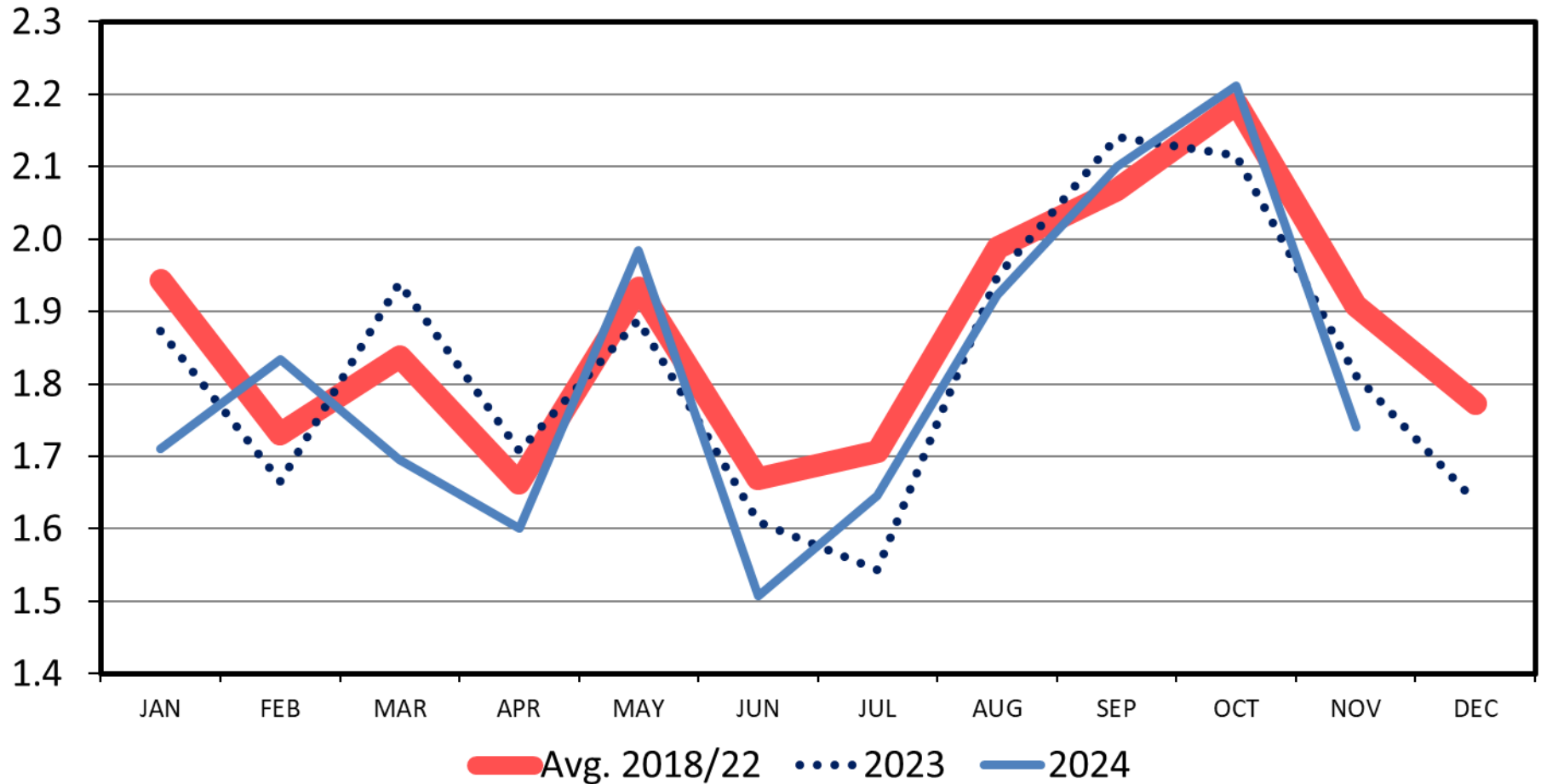


**Despite Lower Cattle Supplies,  
Longer Time on Feed Have  
Kept Cattle On Feed Numbers  
Elevated Higher Than Expected**

# NET FEEDLOT PLACEMENTS

US Total, Monthly

Mil. Head



Data Source: USDA-NASS, Compiled by LMIC

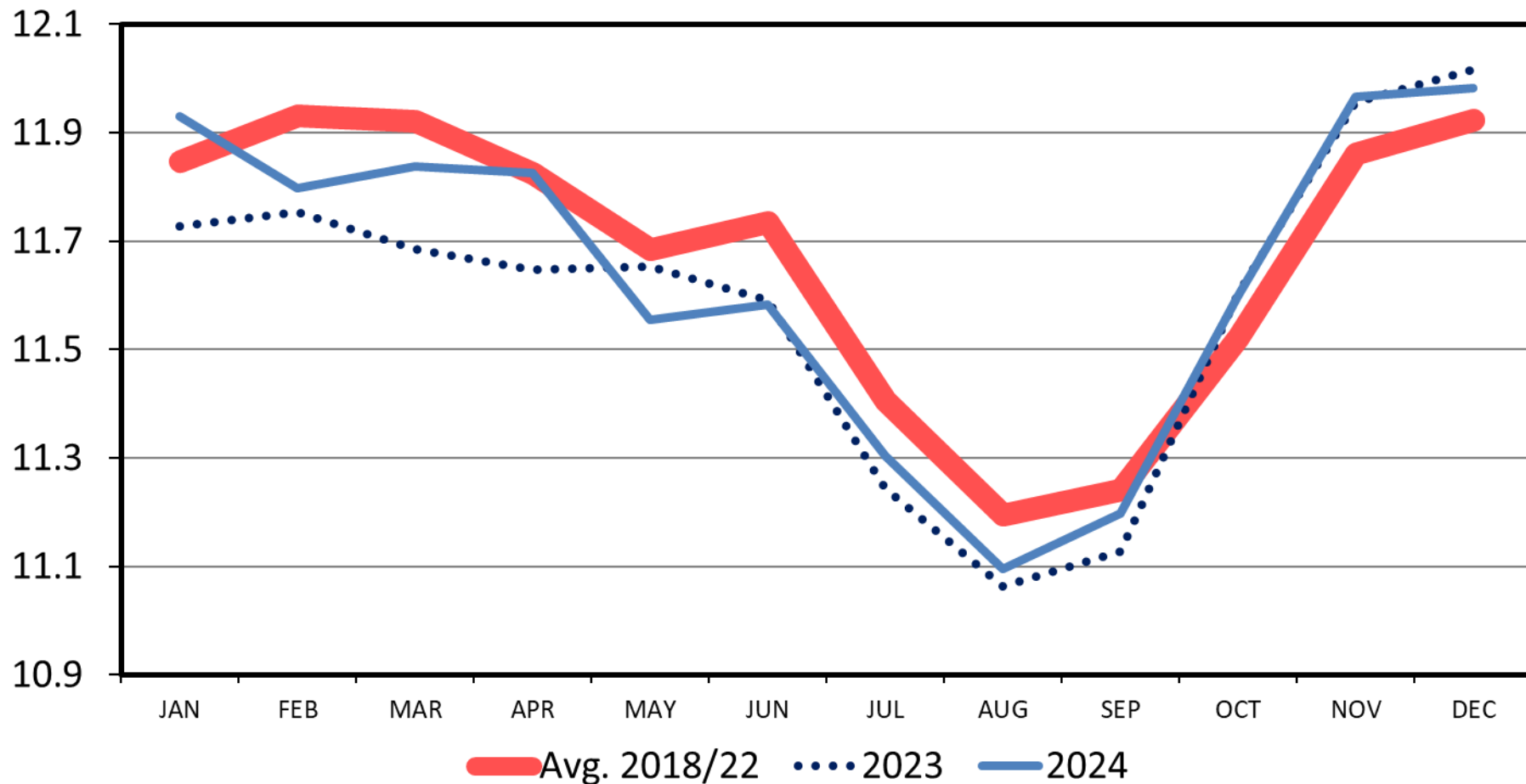
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C-N-09  
12/20/24

# CATTLE ON FEED

US Total, Monthly

Mil. Head



Data Source: USDA-NASS

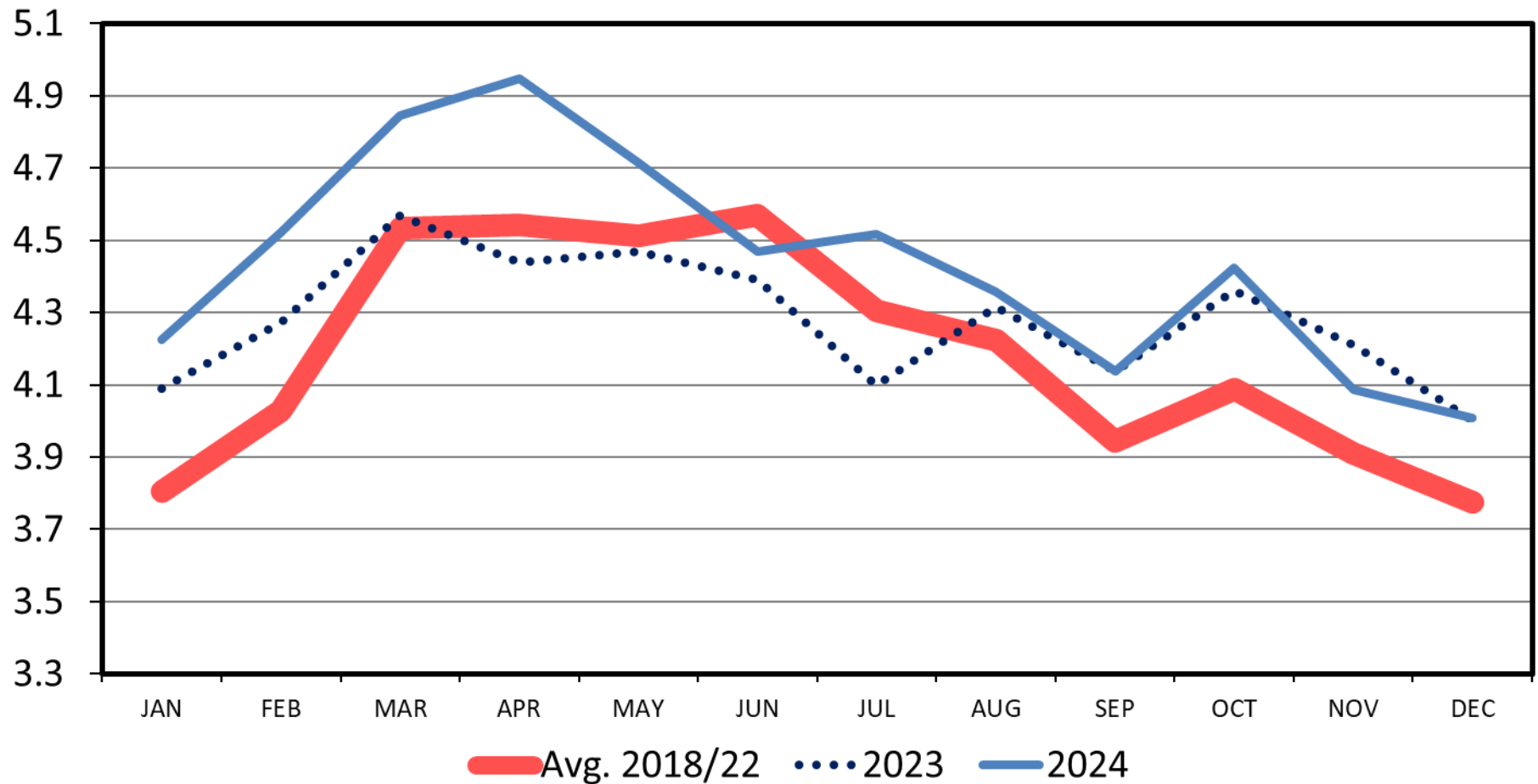
Livestock Marketing Information Center

C-N-10  
12/20/24

# CATTLE ON FEED OVER 120 DAYS

US Total, Monthly

Mil. Head



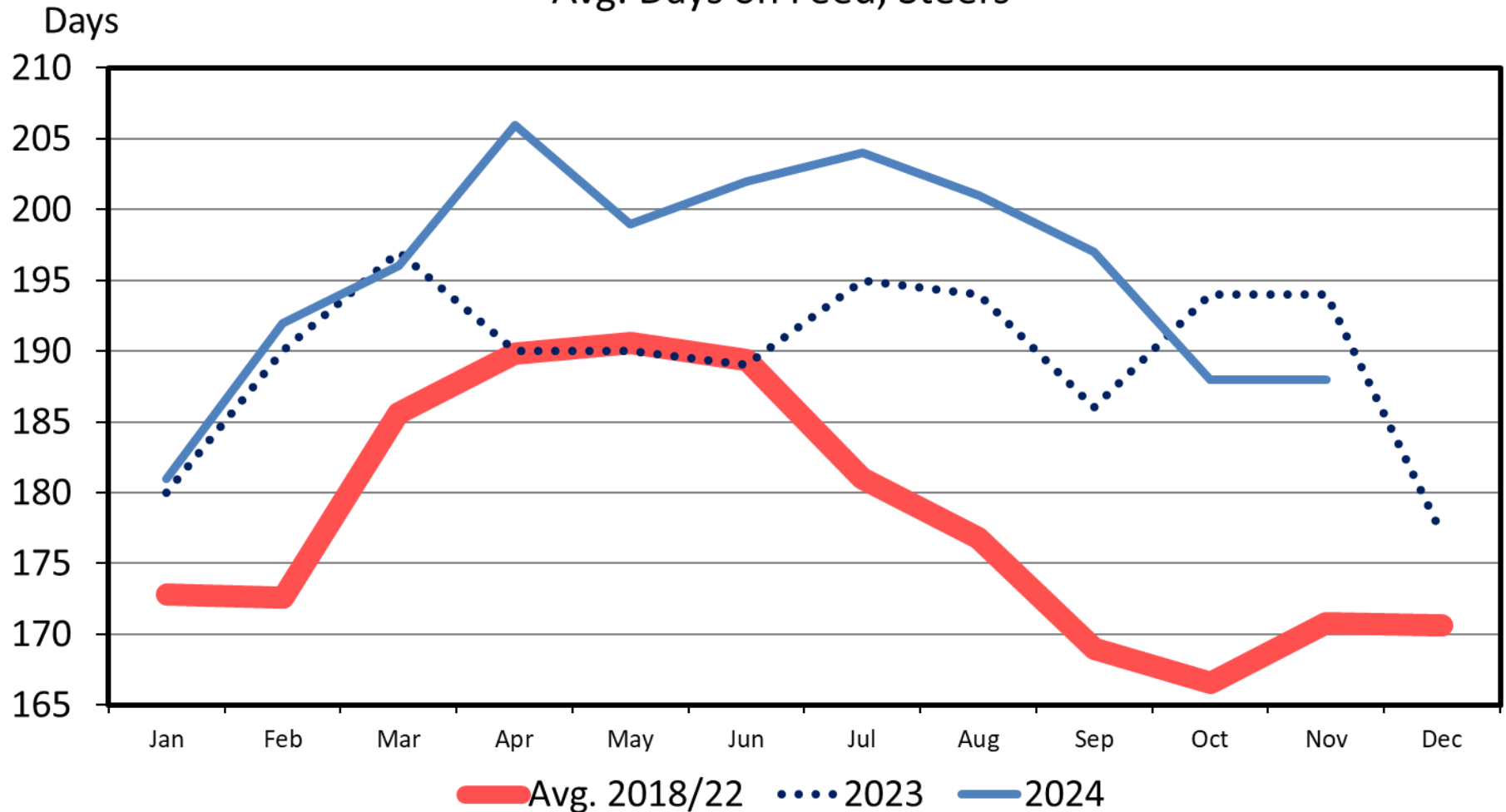
Data Source: USDA-NASS, Compiled by LMIC

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C-N-12  
12/20/24

# KANSAS FEEDLOT CLOSEOUTS

Avg. Days on Feed, Steers



Data Source: KSU Focus on Feedlots, Compiled by LMIC

01/08/25

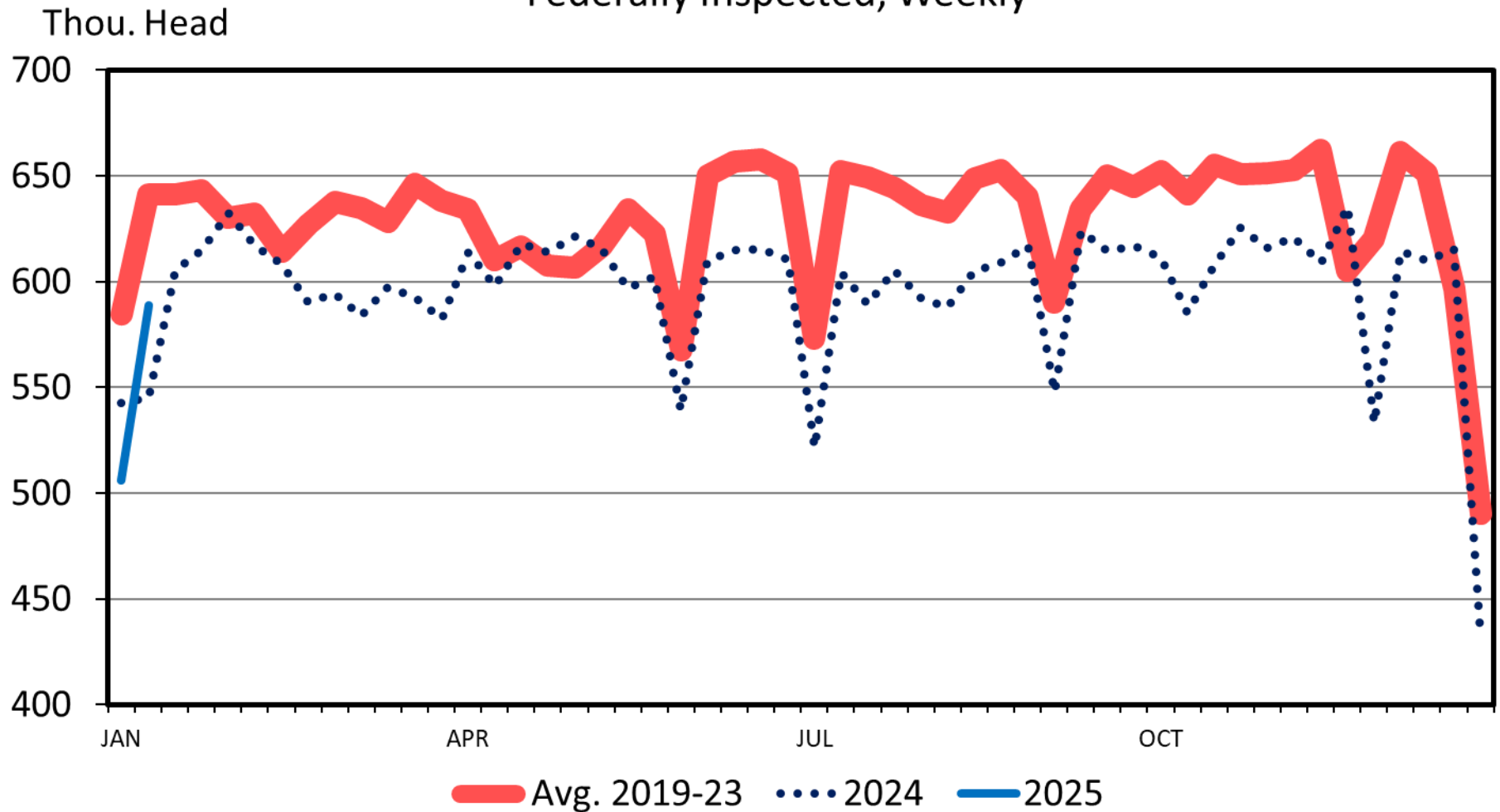
Livestock Marketing Information Center

# **Heavier Carcasses and Reduced Retention of Heifers Has Kept Total Beef Production At Higher Than Expected Levels**



# CATTLE SLAUGHTER

## Federally Inspected, Weekly



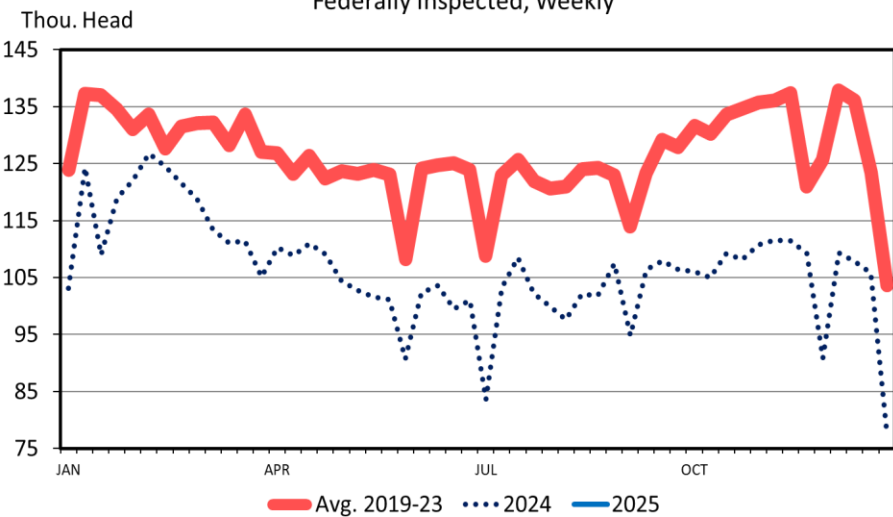
Data Source: USDA-AMS & USDA-NASS

Livestock Marketing Information Center

C-S-08  
01/10/25

## TOTAL COW SLAUGHTER

Federally Inspected, Weekly

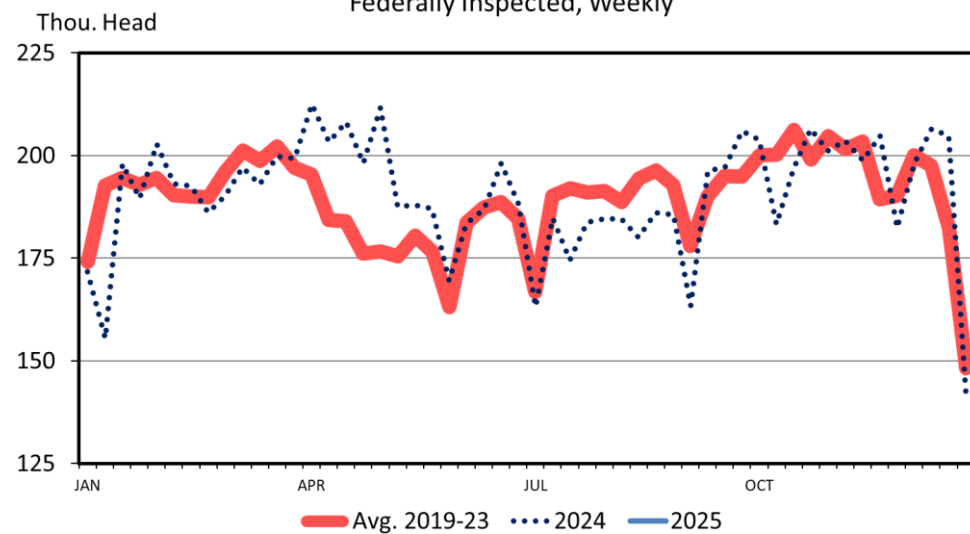


Data Source: USDA-AMS & USDA-NASS  
Livestock Marketing Information Center

C-S-14  
01/10/25

## HEIFER SLAUGHTER

Federally Inspected, Weekly

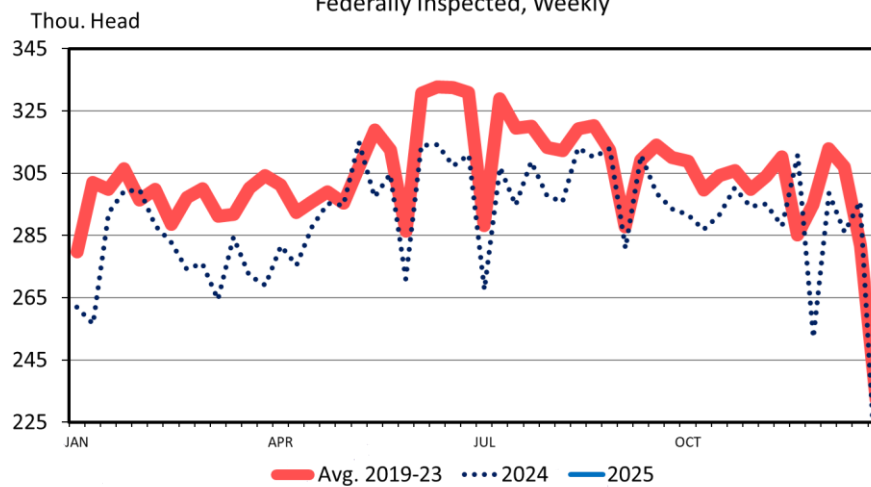


Data Source: USDA-AMS & USDA-NASS  
Livestock Marketing Information Center

C-S-13  
01/10/25

## STEER SLAUGHTER

Federally Inspected, Weekly

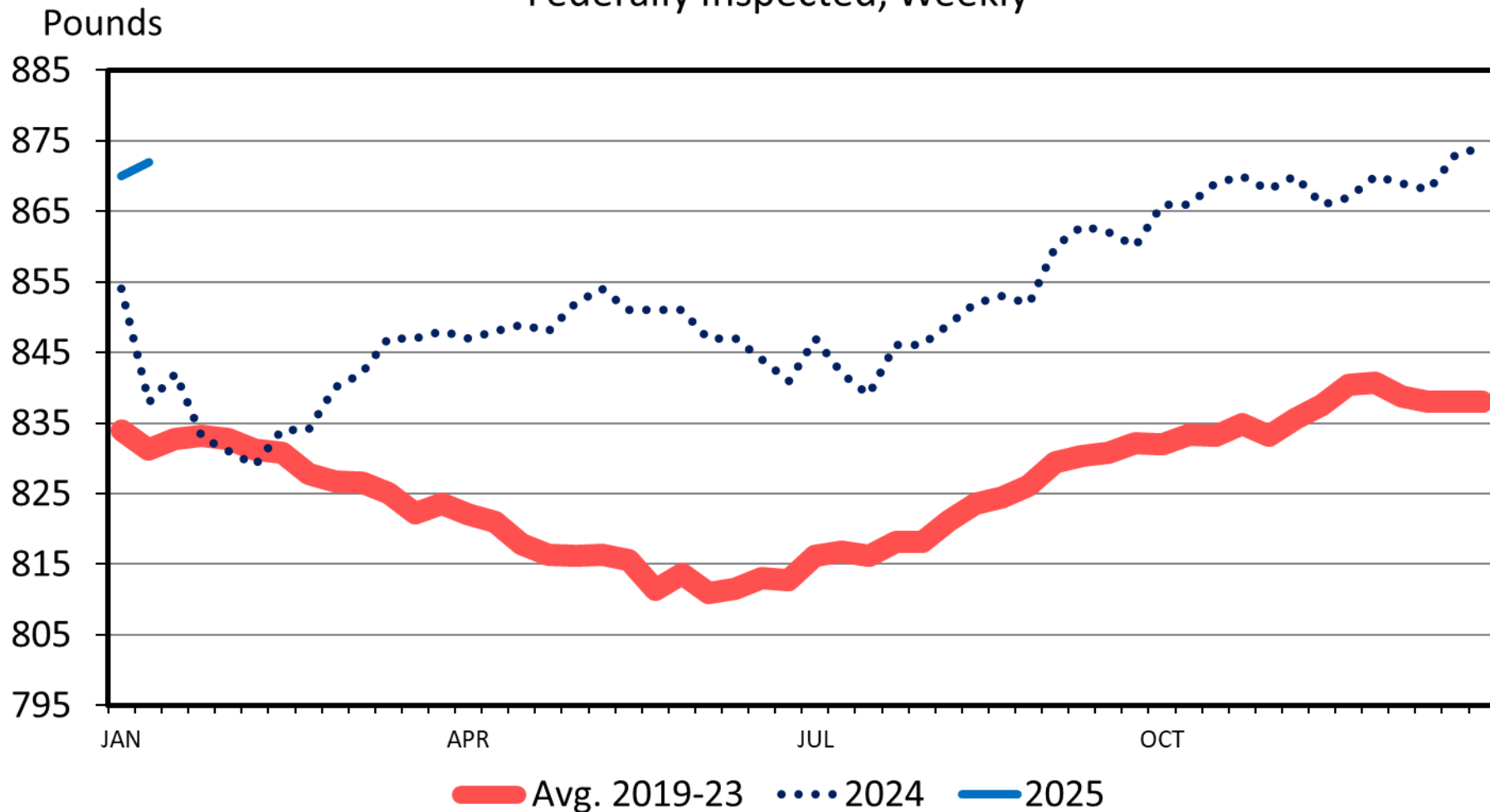


Data Source: USDA-AMS & USDA-NASS  
Livestock Marketing Information Center

C-S-17  
01/10/25

# CATTLE DRESSED WEIGHT

Federally Inspected, Weekly



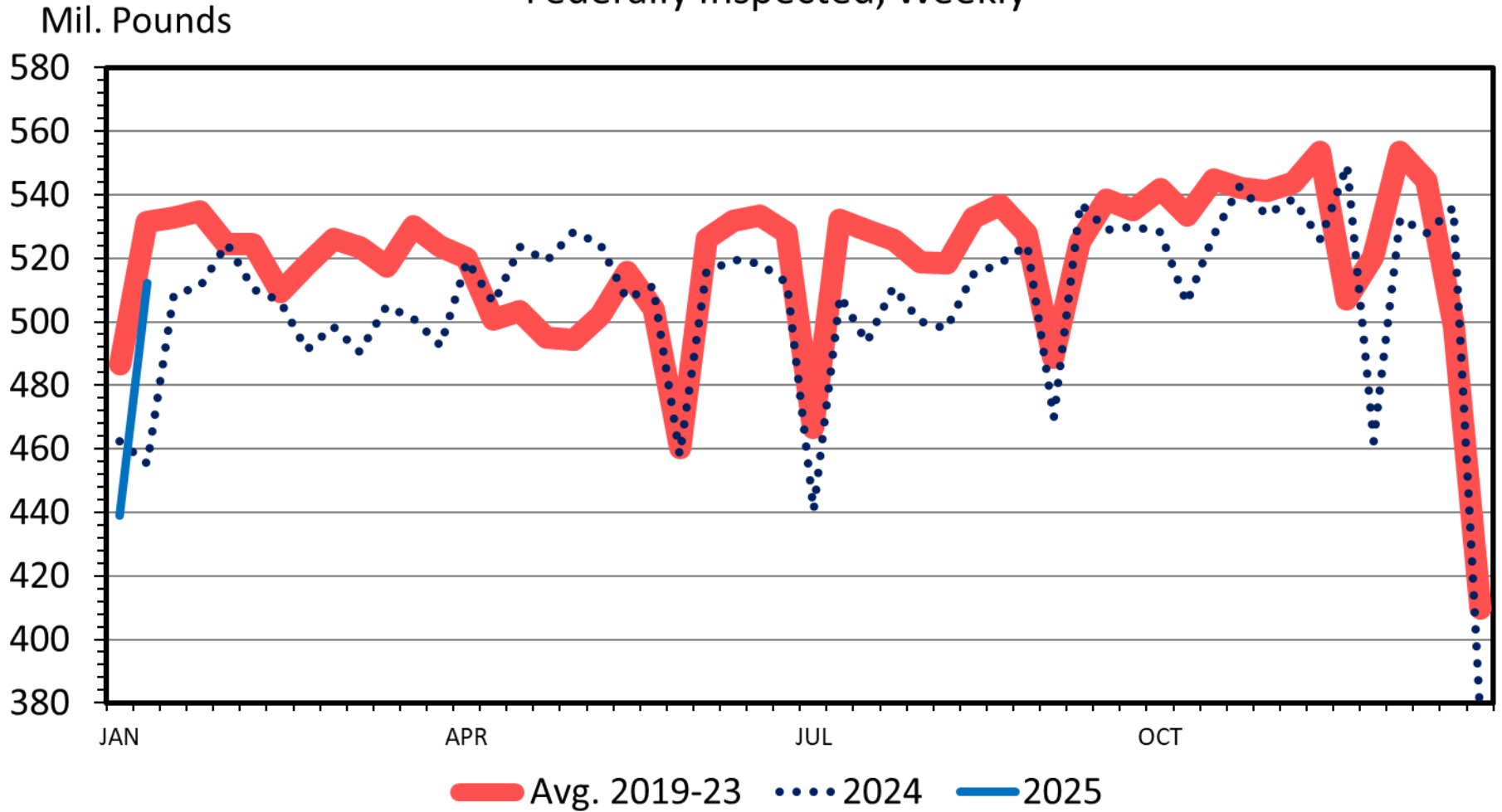
Data Source: USDA-AMS & USDA-NASS

Livestock Marketing Information Center

C-S-18A  
01/10/25

# BEEF PRODUCTION

## Federally Inspected, Weekly



Data Source: USDA-AMS & USDA-NASS

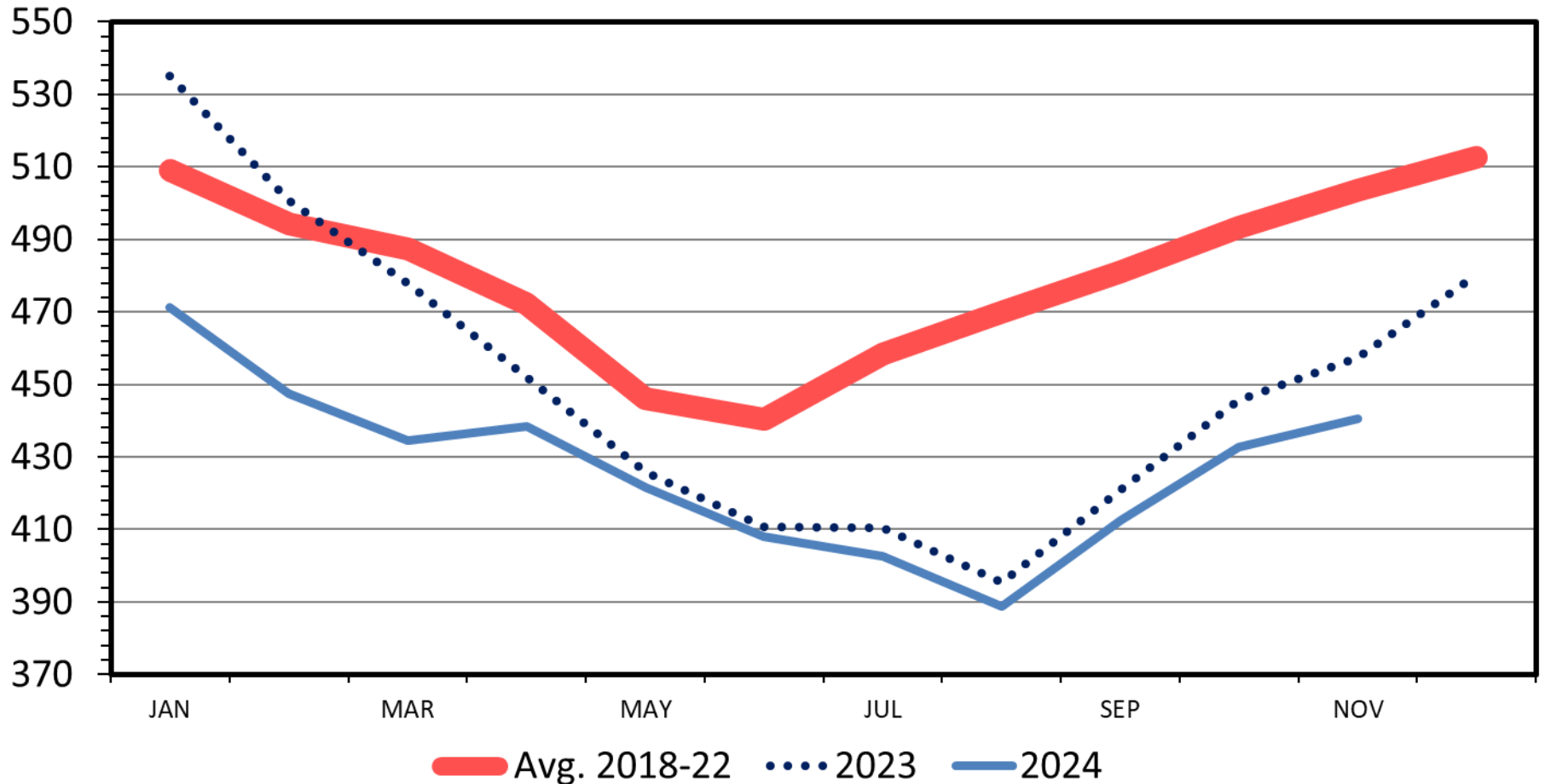
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M-S-18  
01/10/25

# BEEF IN COLD STORAGE

End of the Month

Mil. Pounds



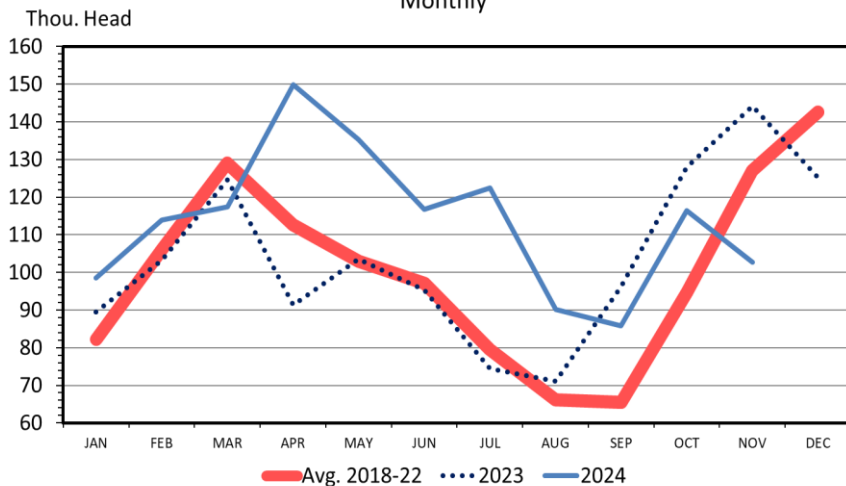
Data Source: USDA-NASS

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12/23/24

## US CATTLE IMPORTS FROM MEXICO

Monthly

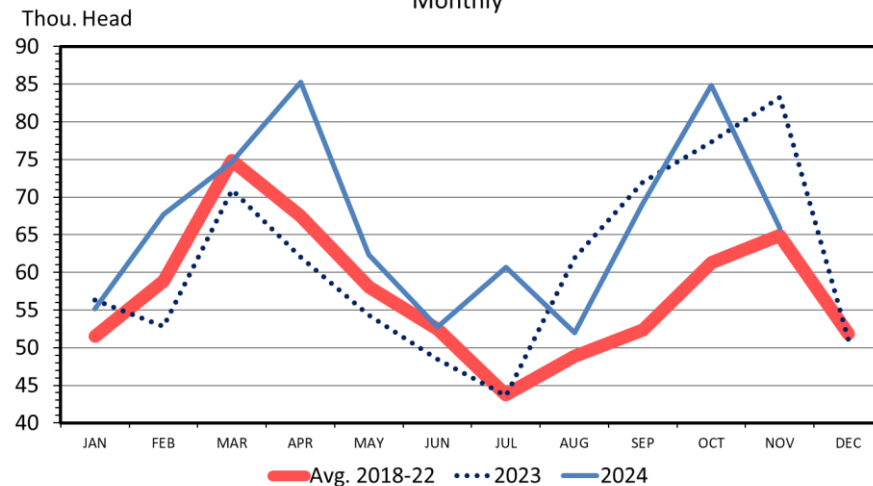


Data Source: USDA-ERS & USDA-FAS  
Livestock Marketing Information Center

I-N-03  
01/13/25

## US CATTLE IMPORTS FROM CANADA

Monthly

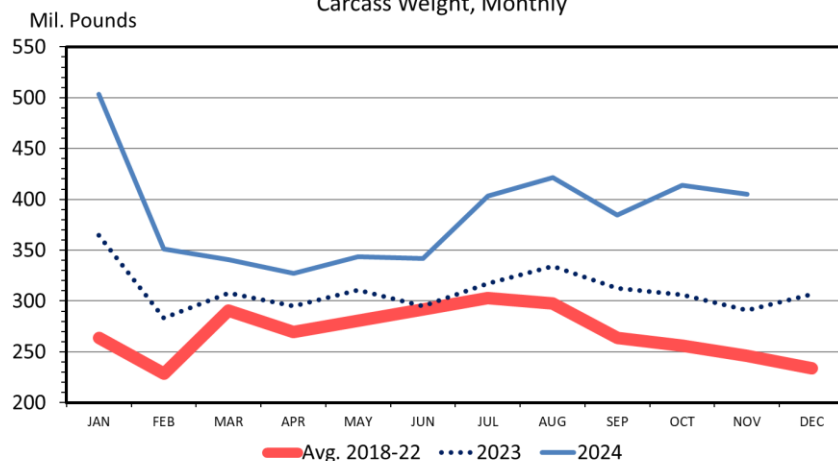


Data Source: USDA-ERS & USDA-FAS  
Livestock Marketing Information Center

I-N-04  
01/13/25

## US BEEF AND VEAL IMPORTS

Carcass Weight, Monthly

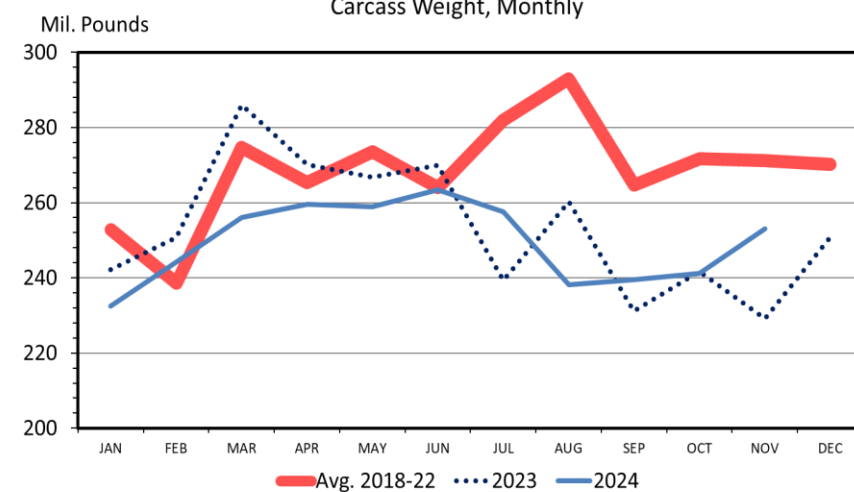


Data Source: USDA-ERS & USDA-FAS  
Livestock Marketing Information Center

I-N-15  
01/13/25

## US BEEF AND VEAL EXPORTS

Carcass Weight, Monthly

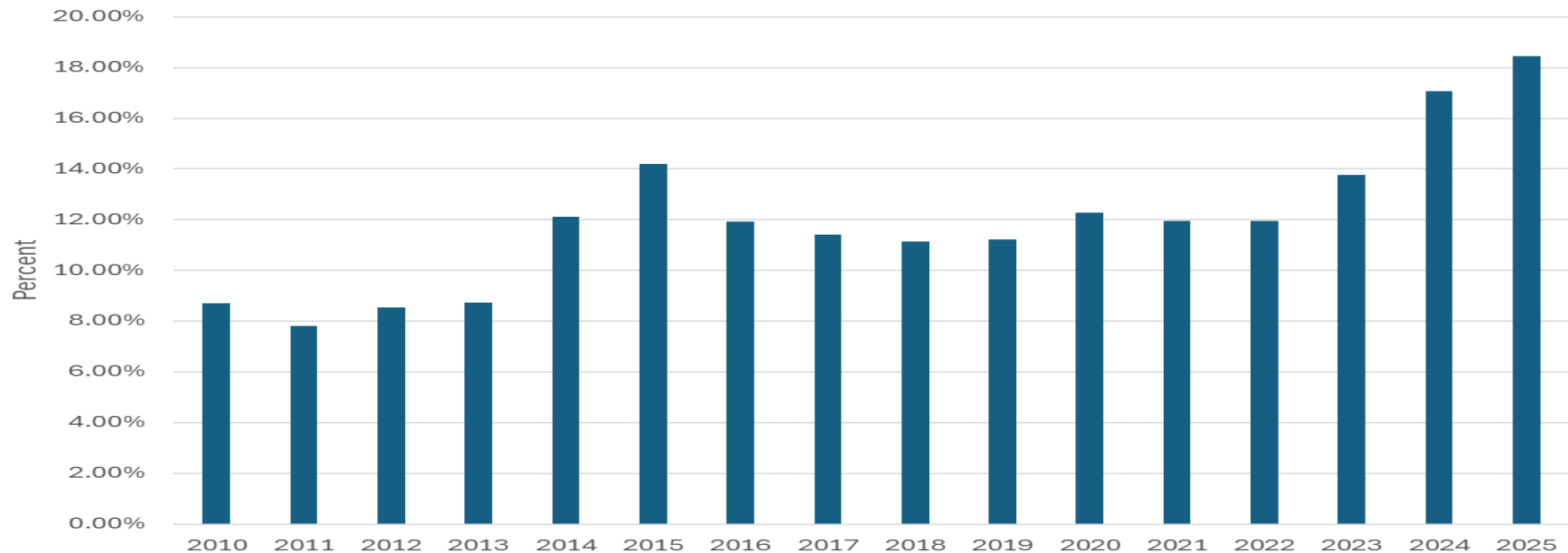


Data Source: USDA-ERS & USDA-FAS  
Livestock Marketing Information Center

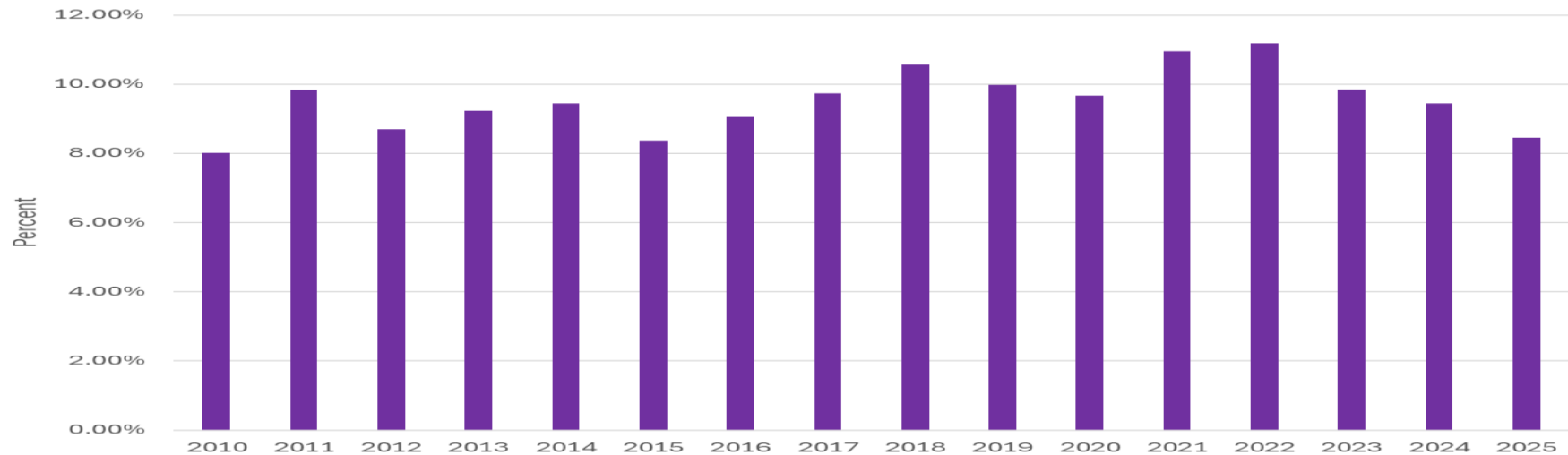
I-N-16  
01/13/25



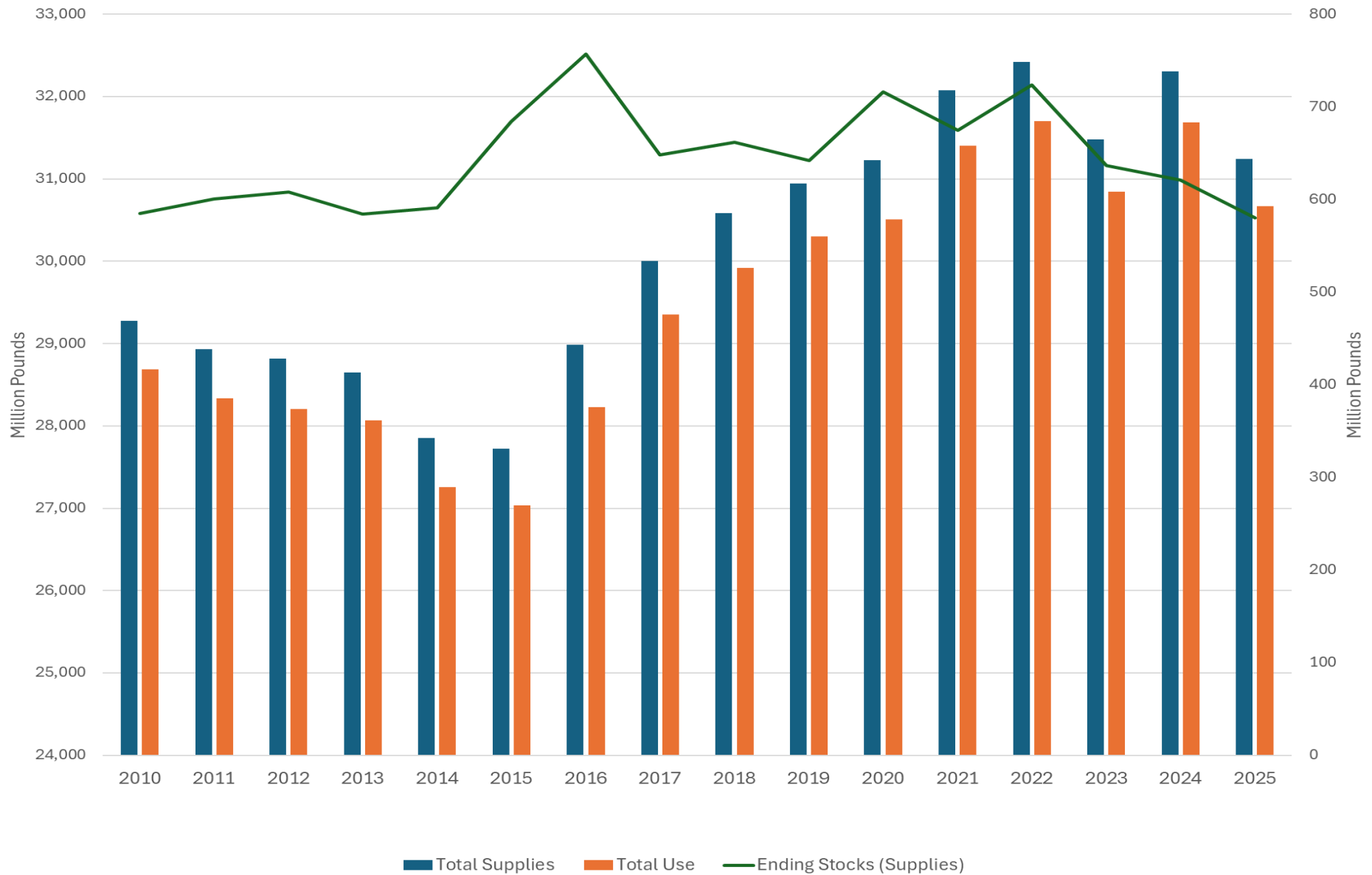
## US Beef Imports as a Percent of Total Supplies



## US Beef Exports as a Percent of Total Use

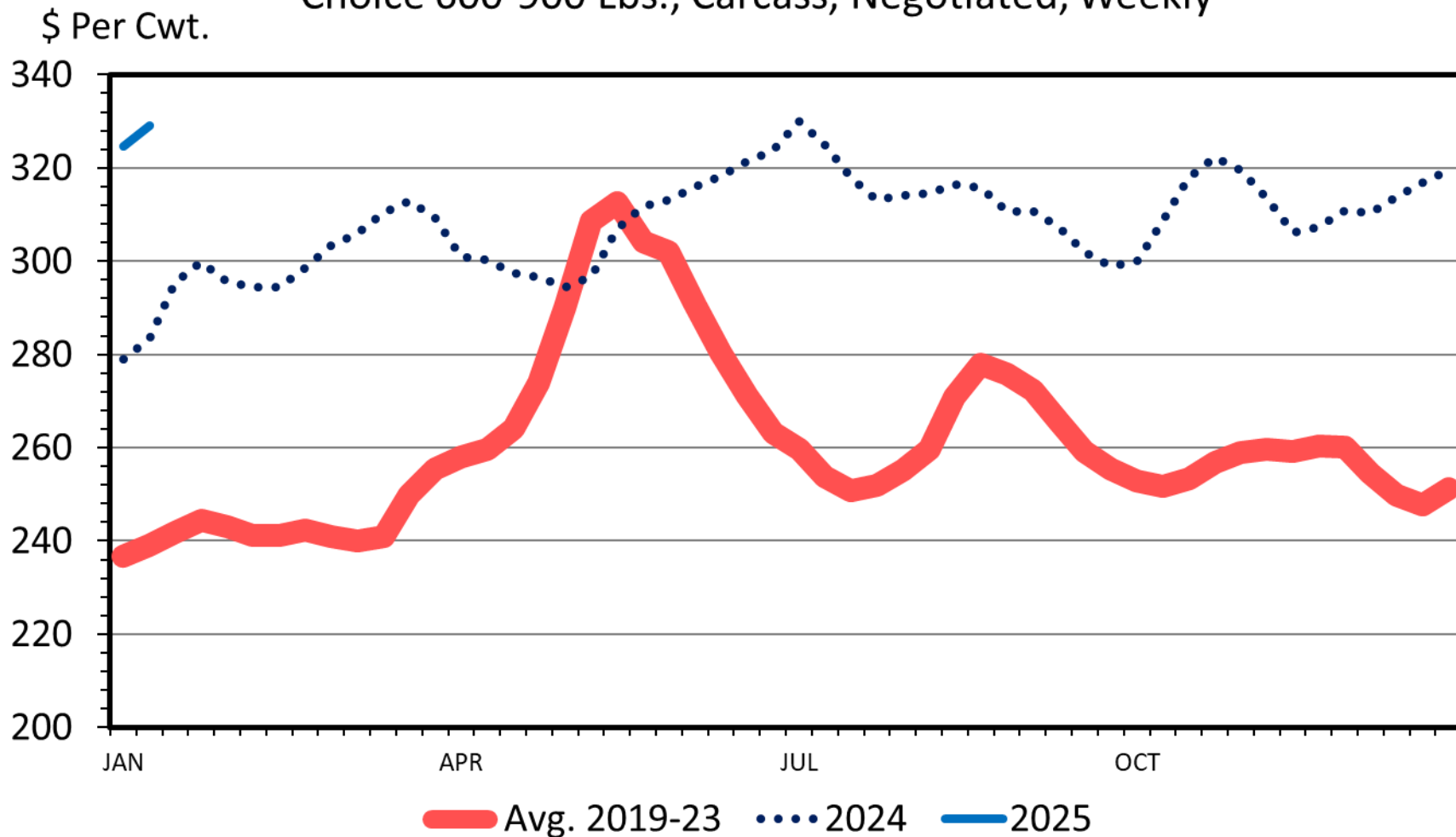


# US Beef Production and Use



# BOXED BEEF CUTOUT VALUE

Choice 600-900 Lbs., Carcass, Negotiated, Weekly



Data Source: USDA-AMS

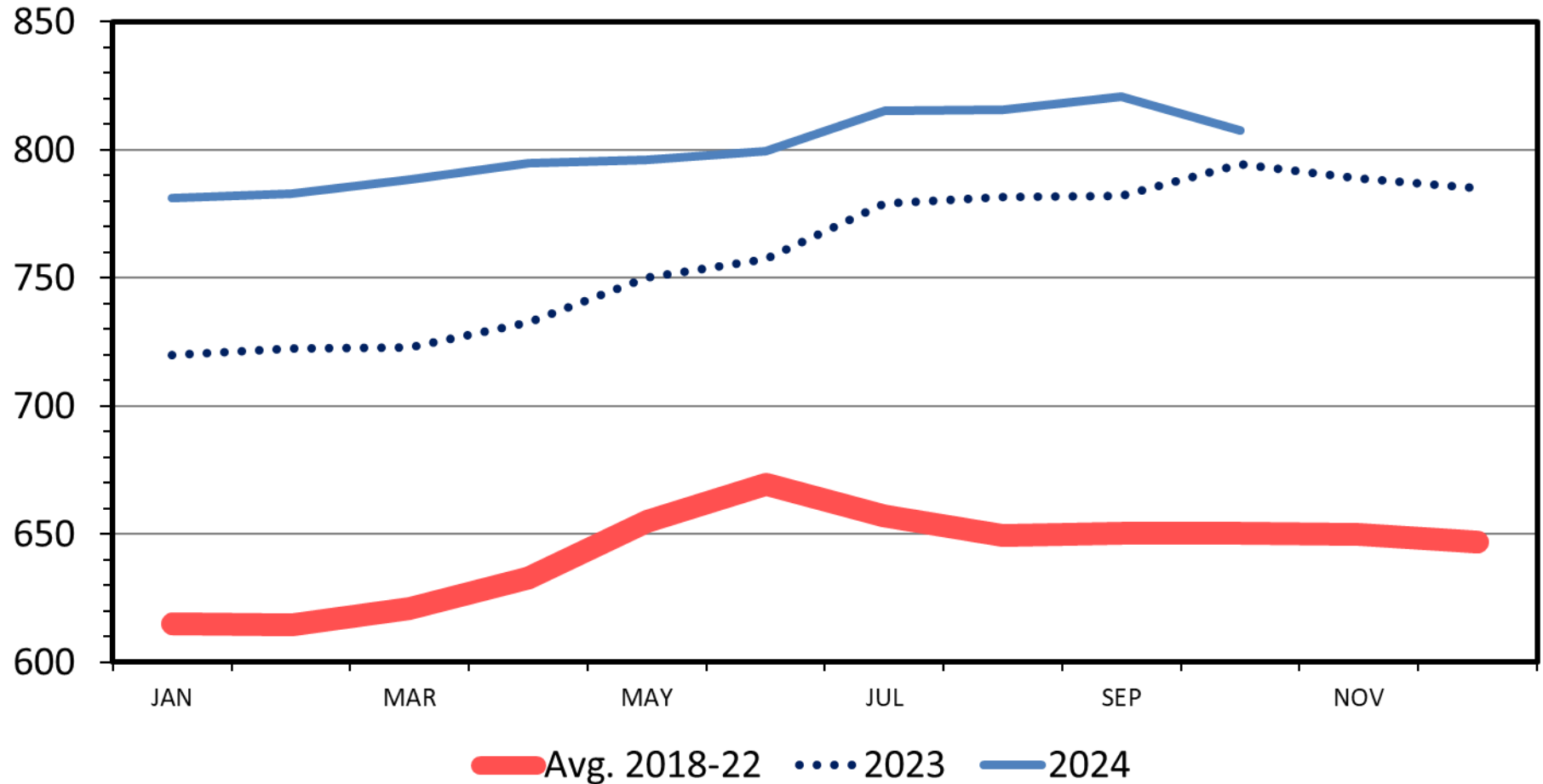
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C-P-62  
01/10/25

# RETAIL BEEF PRICE

All Fresh, Monthly

Cents Per Pound



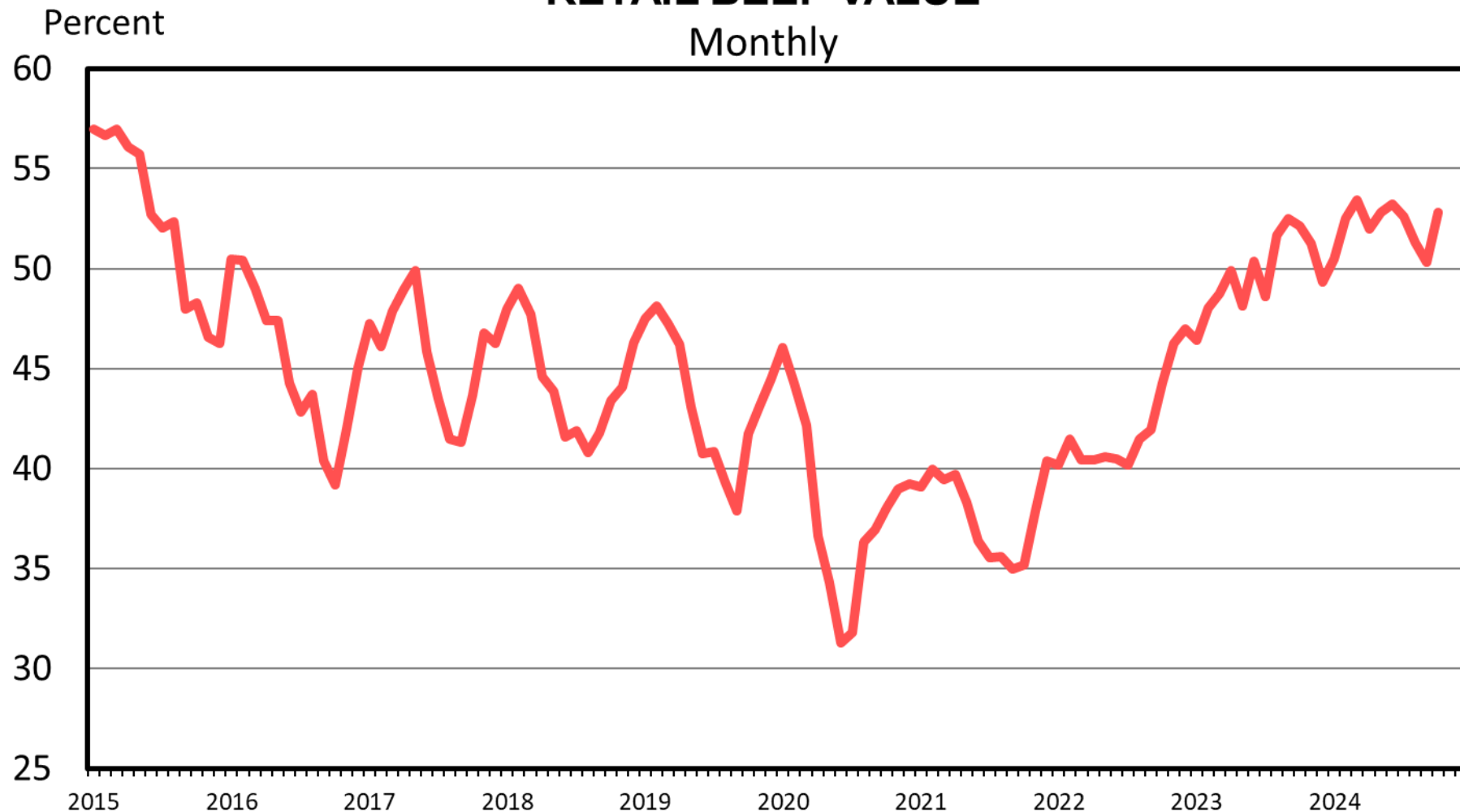
Data Source: Bureau of Labor Statistics & USDA-ERS

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M-P-11  
11/13/24

# **Cattle Prices Remain Strong With More Market Influence for the Cattle Producer**

# CHOICE STEER VALUE AS A PERCENT OF RETAIL BEEF VALUE



Data Source: USDA-AMS & USDA-ERS, Compiled & Analysis by LMIC

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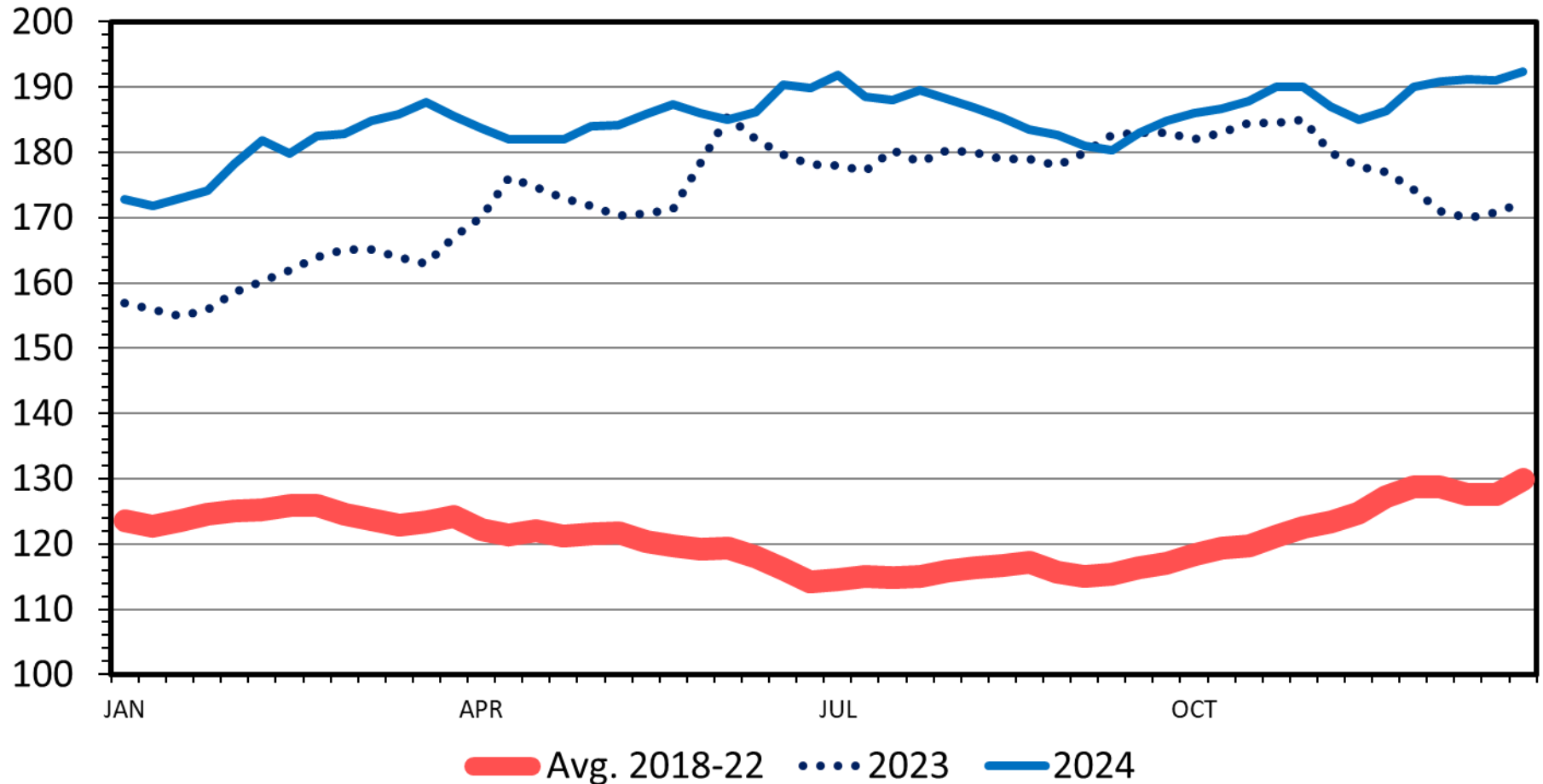
C-P-05  
11/13/24



# SLAUGHTER STEER PRICES

Southern Plains, Weekly

\$ Per Cwt.



Data Source: USDA-AMS

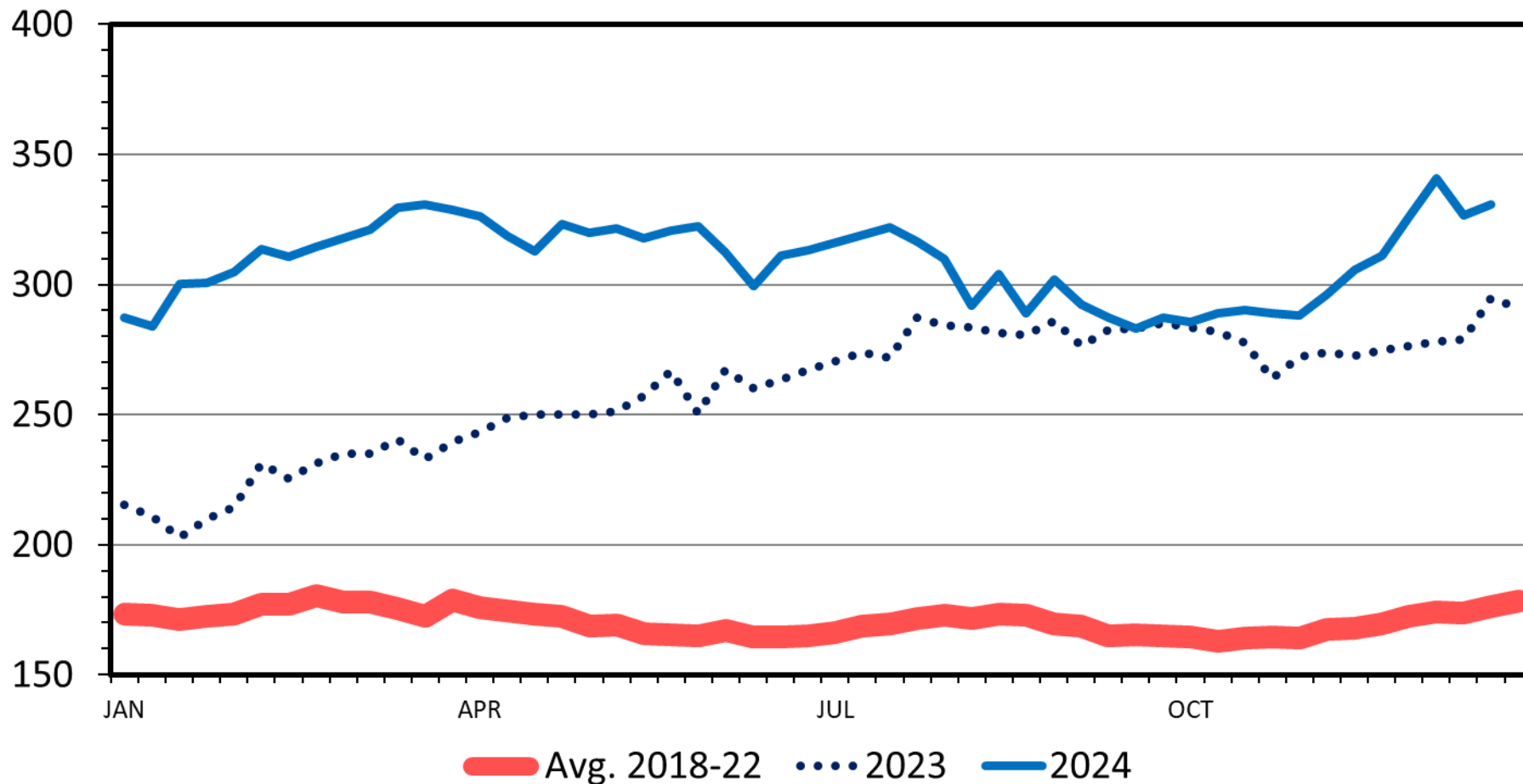
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C-P-52  
12/30/24

# MED. & LRG. #1 STEER CALF PRICES

500-600 Pounds, Southern Plains, Weekly

\$ Per Cwt.



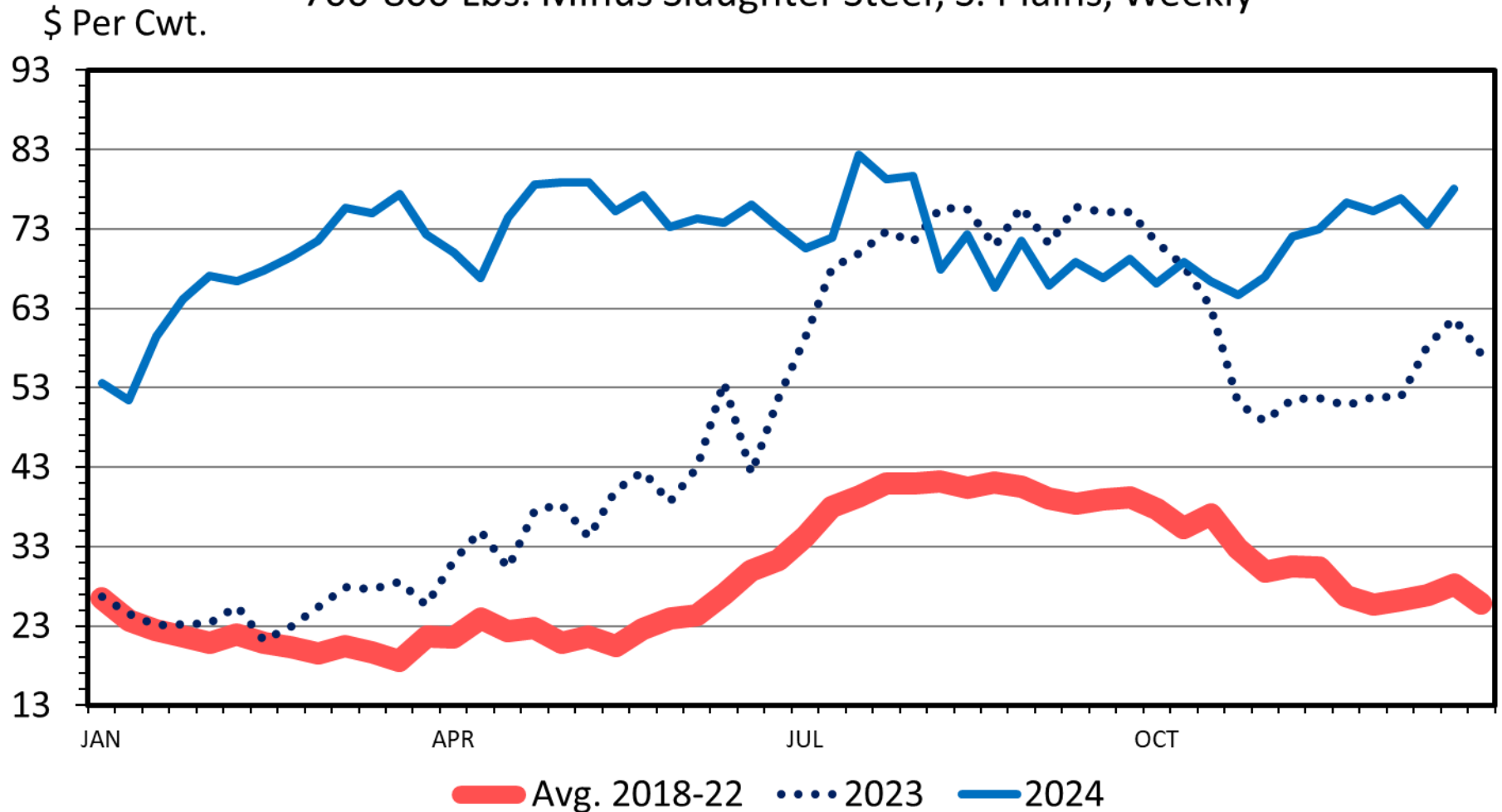
Data Source: USDA-AMS

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C-P-54  
12/30/24

# FEEDER STEER vs FED STEER PRICES

700-800 Lbs. Minus Slaughter Steer, S. Plains, Weekly



Data Source: USDA-AMS, Compiled by LMIC

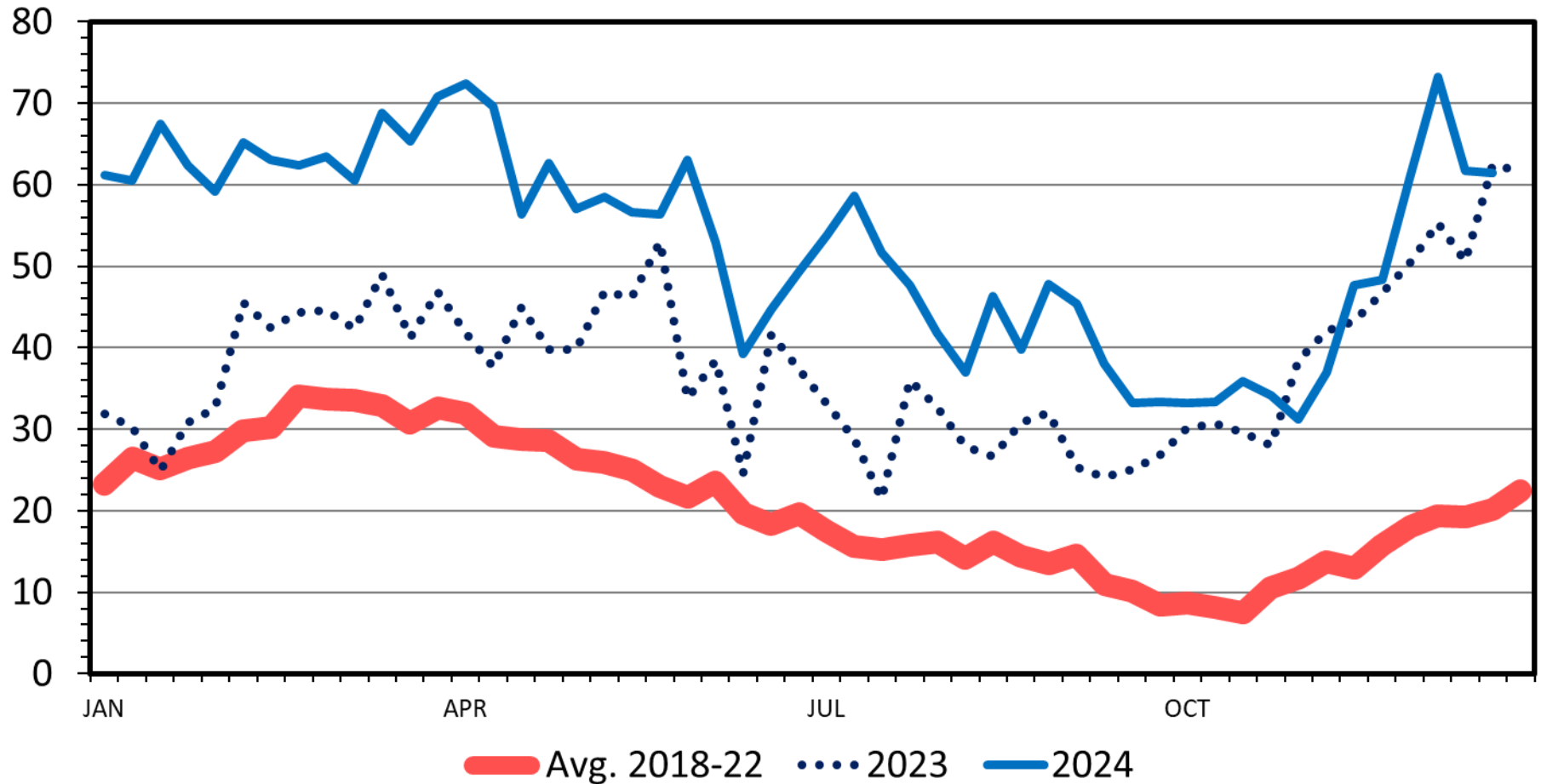
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C-P-53  
12/30/24

# STEER CALF vs FEEDER STEER PRICES

500-600 Lbs. Minus 700-800 Lbs, S. Plains, Weekly

\$ Per Cwt.

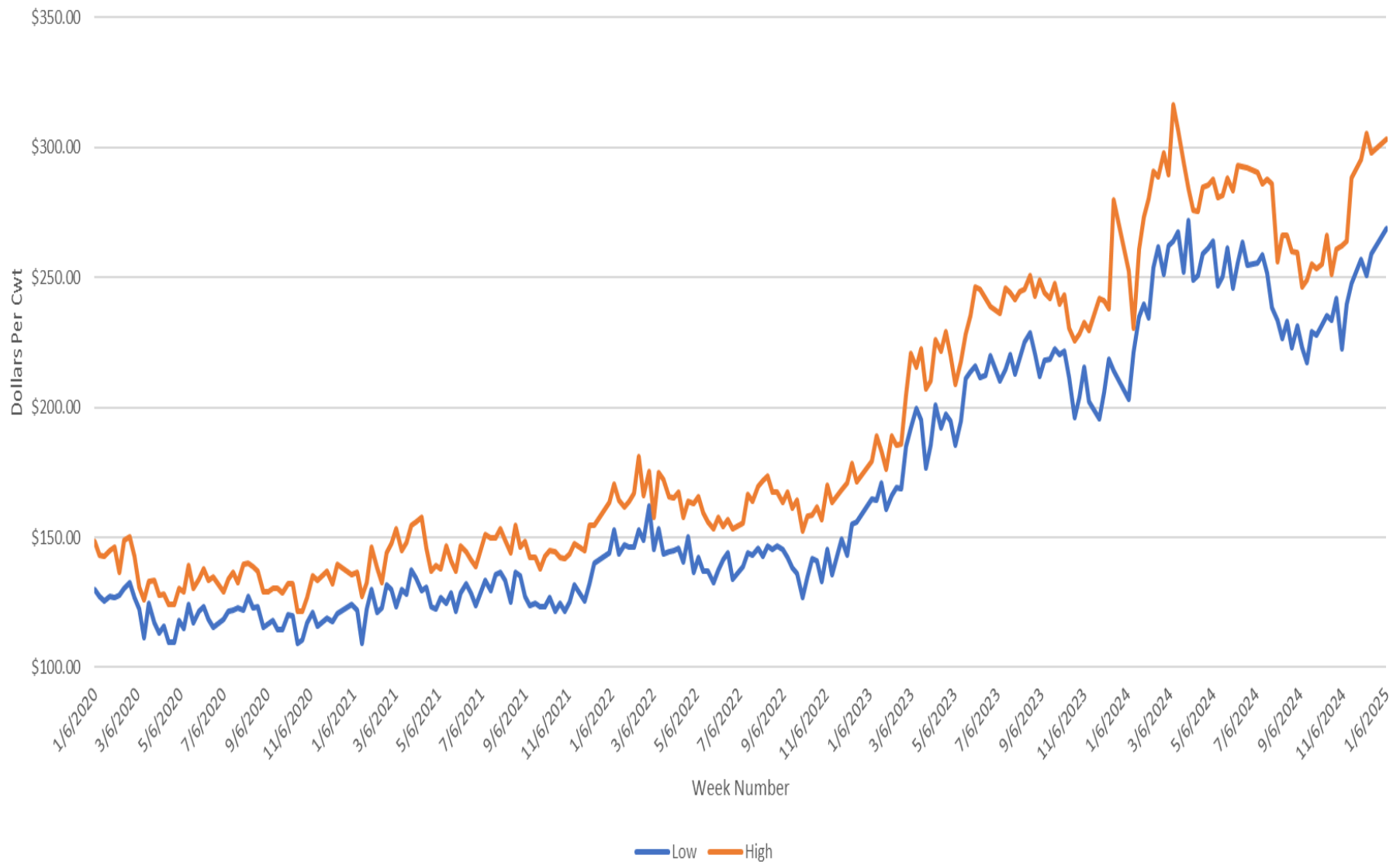


Data Source: USDA-AMS, Compiled by LMIC

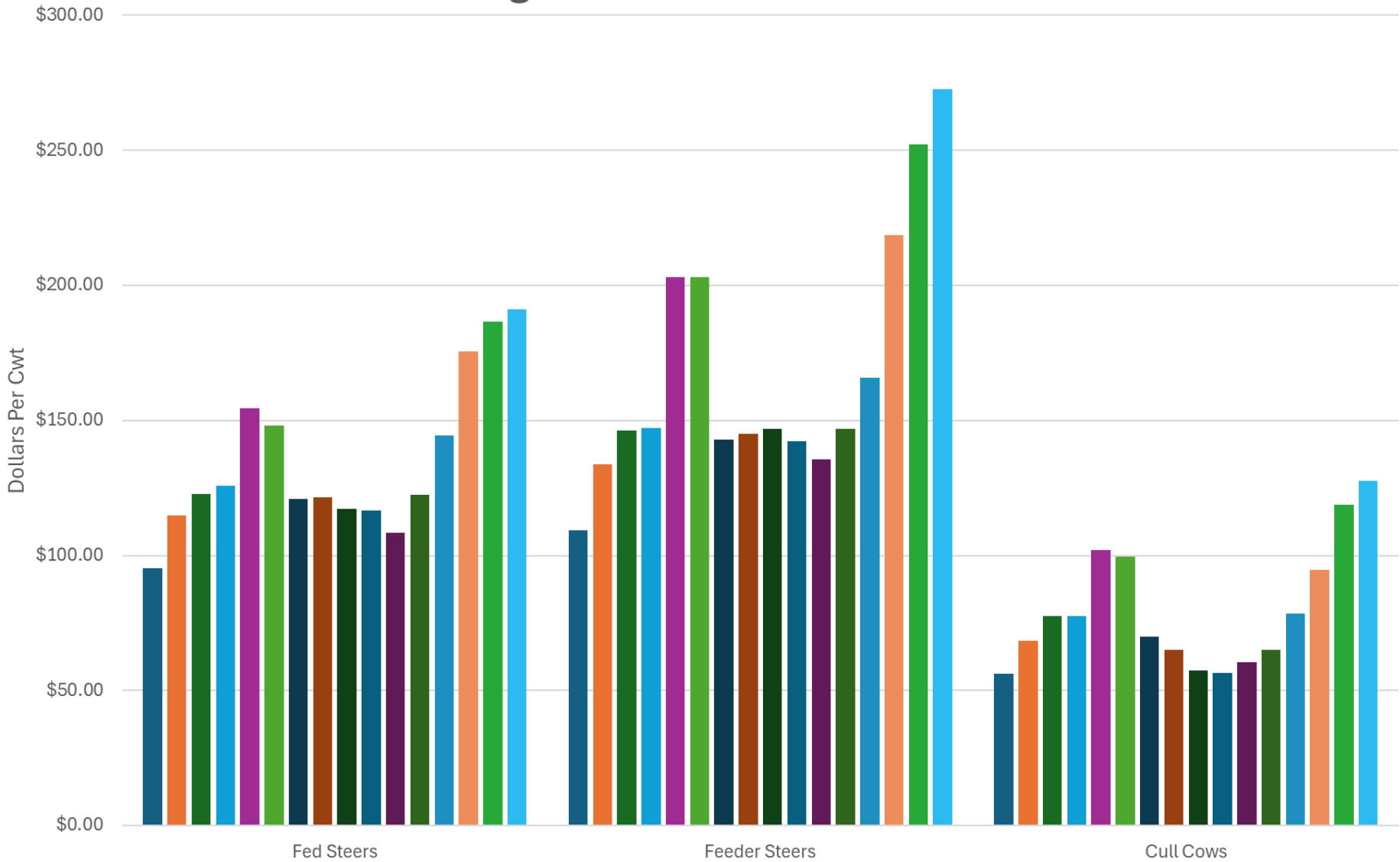
12/30/24

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Weekly Feeder Steer Prices - 500 to 600 lbs - All Frame and All Muscle Grades  
Mississippi Auction Market (Source: USDA, AMS)

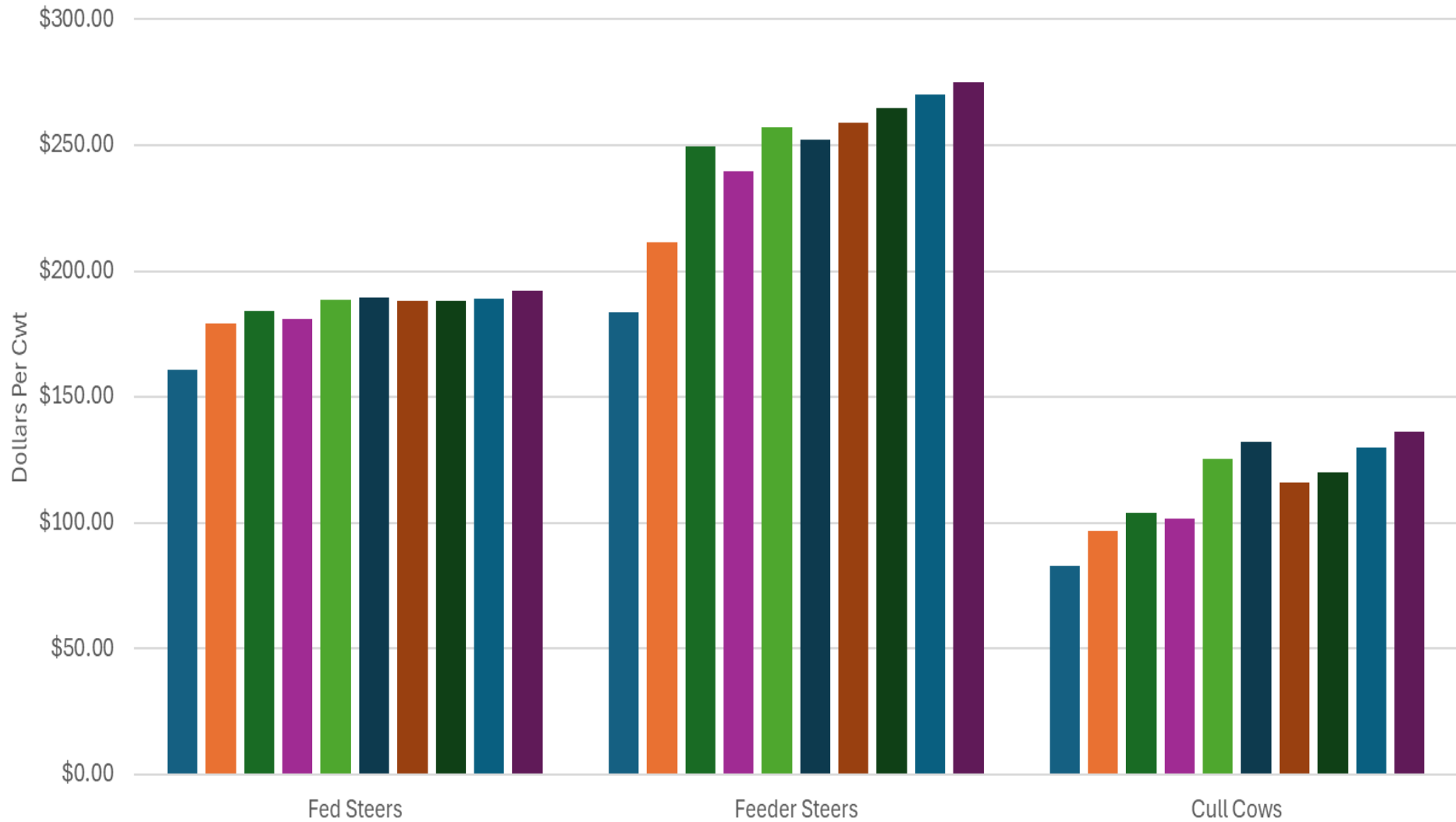


# Annual Average US Cattle Prices - 2010 - 2025





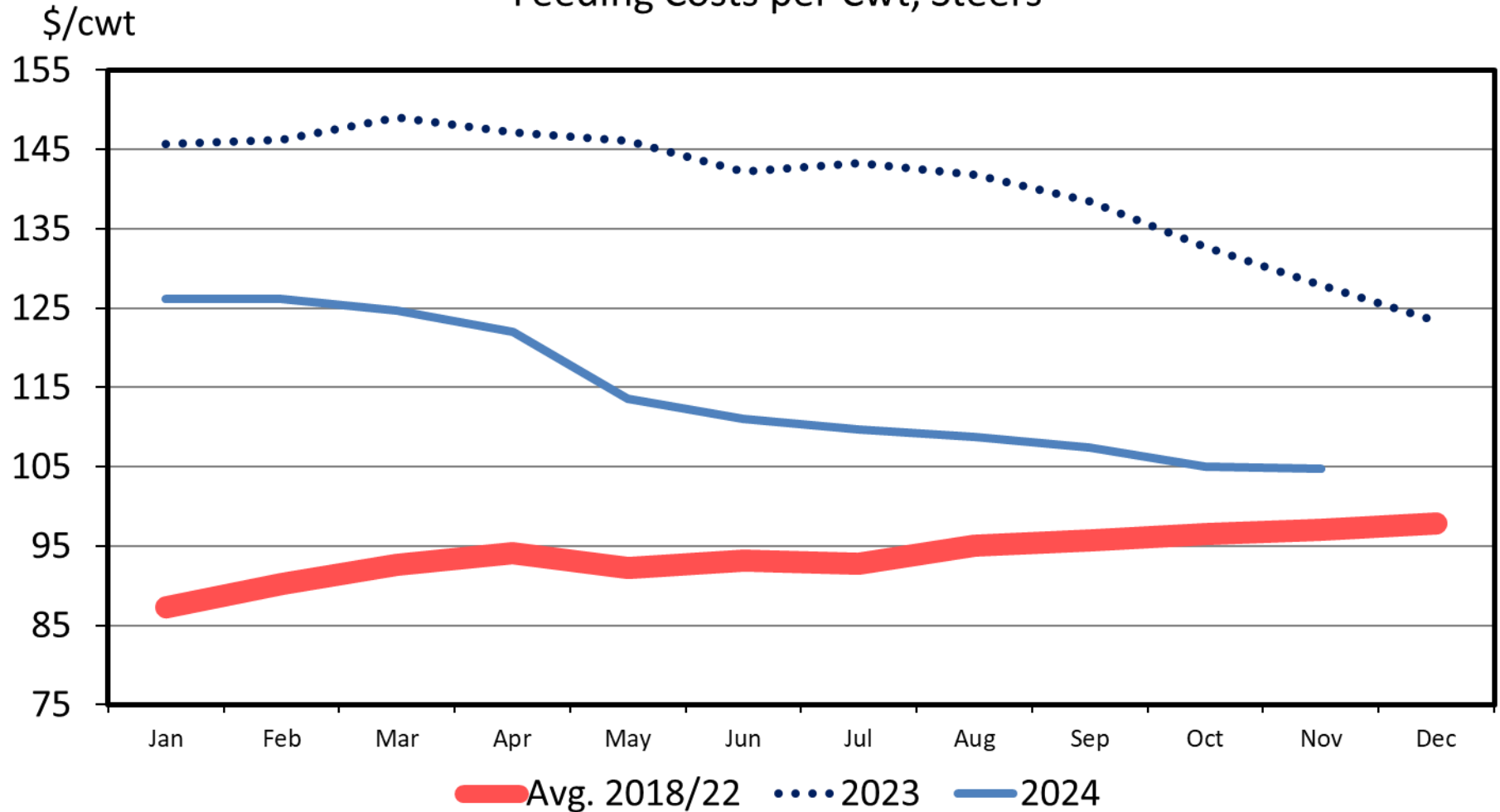
# US Quarterly Prices - 1st Quarter 2023 to 3rd Quarter 2025



**With Strong Cattle Prices and  
Moderately Lower Input Costs,  
Cow/Calf Profitability Looks  
Improved**

# KANSAS FEEDLOT CLOSEOUTS

Feeding Costs per Cwt, Steers



Data Source: KSU Focus on Feedlots, Compiled by LMIC

01/08/25

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**Table 17A. Estimated Costs and Returns per Cow, WITH LABOR, Cow-Calf Herd (550 lb. calf), Large Herds, Semi-Improved Pastures, Louisiana 2025.**

ITEM	Unit	Price	Quantity	Amount	Your Value
<b>INCOME</b>					
Weanling Calf	cwt	\$263.00	3.85	\$1,012.55	
Cull Cow	cwt	\$115.00	0.81	\$92.58	
Cull Heifer	cwt	\$201.00	0.49	\$98.49	
<b>TOTAL INCOME</b>				<b>\$1,203.62</b>	
<b>DIRECT EXPENSES</b>					
<b>Custom</b>					
Hauling Cattle	head	\$9.00	0.84	\$7.56	
<b>Feed</b>					
Stock Salt	lb.	\$0.13	50.00	\$6.50	
Range Meal	lb.	\$27.00	2.10	\$56.70	
<b>Hired Labor</b>					
Livestock Labor	hr.	\$14.83	6.06	\$89.87	
<b>Other</b>					
Medication	Dol	\$2.20	20.00	\$44.00	
Marketing Commission	Dol	\$0.05	1,203.62	\$60.18	
Marketing Checkoff	head	\$1.50	0.84	\$1.26	
<b>Pasture Crops</b>					
Ryegrass Sod Seeded	acre	\$126.84	0.50	\$63.42	
Hay Production	acre	\$65.33	1.60	\$104.52	
Semi-Improved Pasture	acre	\$109.09	1.67	\$182.19	
<b>Operator Labor</b>					
Tractors	hr.	\$14.83	1.66	\$24.63	
Self-Propelled Equipment	hr.	\$14.83	0.50	\$7.34	
Fence 5-wire	hr.	\$14.83	2.00	\$29.66	
<b>Diesel Fuel</b>					
Tractors	gal	\$2.80	5.83	\$16.32	
Self-Propelled Equipment	gal	\$2.80	0.75	\$2.10	
<b>Gasoline</b>					
Self-Propelled Equipment	gal	\$2.50	0.11	\$0.26	
<b>Repair and Maintenance</b>					
Implements	cow	\$0.31	1.00	\$0.31	
Tractors	cow	\$3.28	1.00	\$3.28	
Self-Propelled Equipment	cow	\$2.14	1.00	\$2.14	
Water Tank & Pump	each	\$80.00	0.07	\$5.36	
Corral	each	\$162.50	0.01	\$1.63	
Fence 5-Wire	mile	\$448.80	0.08	\$35.90	
Squeeze Chute	each	\$75.00	0.02	\$1.50	
Feed Bunk	each	\$20.00	0.01	\$0.20	
Hay Rack	each	\$36.00	0.07	\$2.52	
Interest on Operating Capital	cow	\$24.85	1.00	\$24.85	
<b>TOTAL DIRECT EXPENSES</b>				<b>\$774.20</b>	

\$786.86 Projected in 2024

**Table 5. Breakeven Selling Prices Per Hundredweight to Recover DIRECT COSTS Under Different Cost Scenarios and Calf Crop Percentages, Large Herds, Semi-Improved Pastures, Louisiana 2025.<sup>A</sup>**

	15 Percent Below Base	10 Percent Below Base	5 Percent Below Base	Base Cost Scenario	5 Percent Above Base	10 Percent Above Base	15 Percent Above Base
<b>WITHOUT LABOR</b>	\$495.70	\$524.86	\$554.02	\$583.18	\$612.34	\$641.50	\$670.66
<b>WITH LABOR</b>	\$658.07	\$696.78	\$735.49	\$774.20	\$812.91	\$851.62	\$890.33

**Without Labor**

50 Percent Calf Crop	\$180.26	\$190.86	\$201.46	\$212.07	\$222.67	\$233.27	\$243.88
60 Percent Calf Crop	\$150.21	\$159.05	\$167.89	\$176.72	\$185.56	\$194.39	\$203.23
70 Percent Calf Crop	\$128.75	\$136.33	\$143.90	\$151.48	\$159.05	\$166.62	\$174.20
80 Percent Calf Crop	\$112.66	\$119.29	\$125.91	\$132.54	\$139.17	\$145.80	\$152.42
90 Percent Calf Crop	\$100.14	\$106.03	\$111.92	\$117.81	\$123.71	\$129.60	\$135.49
100 Percent Calf Crop	\$90.13	\$95.43	\$100.73	\$106.03	\$111.33	\$116.64	\$121.94

**With Labor**

50 Percent Calf Crop	\$180.26	\$190.86	\$201.46	\$212.07	\$222.67	\$233.27	\$243.88
60 Percent Calf Crop	\$150.21	\$159.05	\$167.89	\$176.72	\$185.56	\$194.39	\$203.23
70 Percent Calf Crop	\$128.75	\$136.33	\$143.90	\$151.48	\$159.05	\$166.62	\$174.20
80 Percent Calf Crop	\$112.66	\$119.29	\$125.91	\$132.54	\$139.17	\$145.80	\$152.42
90 Percent Calf Crop	\$100.14	\$106.03	\$111.92	\$117.81	\$123.71	\$129.60	\$135.49
100 Percent Calf Crop	\$90.13	\$95.43	\$100.73	\$106.03	\$111.33	\$116.64	\$121.94

<sup>A</sup> Breakeven price per hundredweight for calves weighing 550 pounds at different calf crop (weaning percentages). Assumes all calves weaned are sold (no heifer retention) and does not consider cull cow or cull heifer revenue.

# Summary

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- Reduced cattle numbers and little signs of increased herd size until last half of 2025 at the earliest
- Current projections put year-over-year calf prices at roughly 8 percent higher in 2025 (Cull cow prices up roughly 7 percent)
- Based on USDA projections, prices in 2025:
  - Calf prices (500 – 600 lb steers) - \$2.80 - \$2.90
  - Cull Cows - \$1.15 - \$1.25
- Beyond 2025, prices should remain strong
- Lower feed and input costs should support feeder cattle prices and support cow/calf profitability
- Unexpected market shocks look to be the only thing could impact current positive view of cattle prices and cattle market

# Questions ???

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