

# ***BEEF-CATTLE MARKET SITUATION & OUTLOOK***

**Dr. Glynn T. Tonsor**

**Email: [gtonsor@ksu.edu](mailto:gtonsor@ksu.edu)**

**LinkedIn/X-Twitter: @TonsorGlynn**

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

# Kickoff Beef-Cattle Summary

## Supply Dynamics

- Expansion pending? (GT sees as probable in 2025)
- Capacity Utilization “Chatter” & “Resilience” picking up

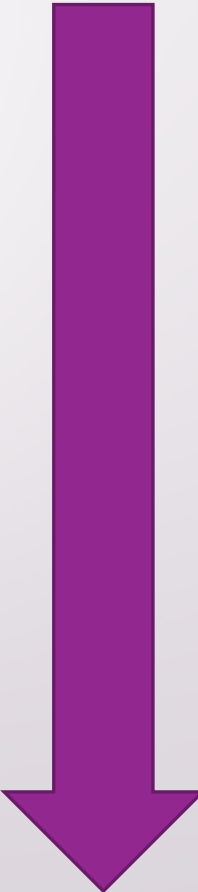
## Beef Demand

- Reasonably Robust Run / Softening Recently
  - Per Capita Consumption is **NOT** Demand
  - Nominal vs Inflation-Adjusted REALLY matters

## Quarterly Forecasts (LMIC: 9/11/24)

Year Quarter	Comm'l Slaughter	% Chg. from Year Ago	Average Dressed Weight	% Chg. from Year Ago	Comm'l Beef Production	% Chg. from Year Ago
<b>2024</b>						
I	7,853	-5.6	835.3	1.8	6,560	-3.9
II	8,016	-3.2	844.1	4.1	6,766	0.8
III	7,874	-2.8	845.4	3.4	6,657	0.5
IV	7,788	-4.4	848.2	1.5	6,606	-3.0
<b>Year</b>	<b>31,531</b>	<b>-4.0</b>	<b>843.2</b>	<b>2.7</b>	<b>26,588</b>	<b>-1.4</b>
<b>2025</b>						
I	7,551	-3.8	842.4	0.9	6,361	-3.0
II	7,764	-3.1	824.2	-2.4	6,399	-5.4
III	7,559	-4.0	829.1	-1.9	6,267	-5.9
IV	7,449	-4.3	845.0	-0.4	6,295	-4.7
<b>Year</b>	<b>30,324</b>	<b>-3.8</b>	<b>835.1</b>	<b>-1.0</b>	<b>25,323</b>	<b>-4.8</b>
<b>2026</b>						
I	7,303	-3.3	833.8	-1.0	6,089	-4.3
II	7,502	-3.4	816.6	-0.9	6,127	-4.3
III	7,325	-3.1	822.3	-0.8	6,023	-3.9
IV	7,165	-3.8	838.3	-0.8	6,007	-4.6
<b>Year</b>	<b>29,294</b>	<b>-3.4</b>	<b>827.6</b>	<b>-0.9</b>	<b>24,245</b>	<b>-4.3</b>

Data Source: Livestock Marketing Information Center



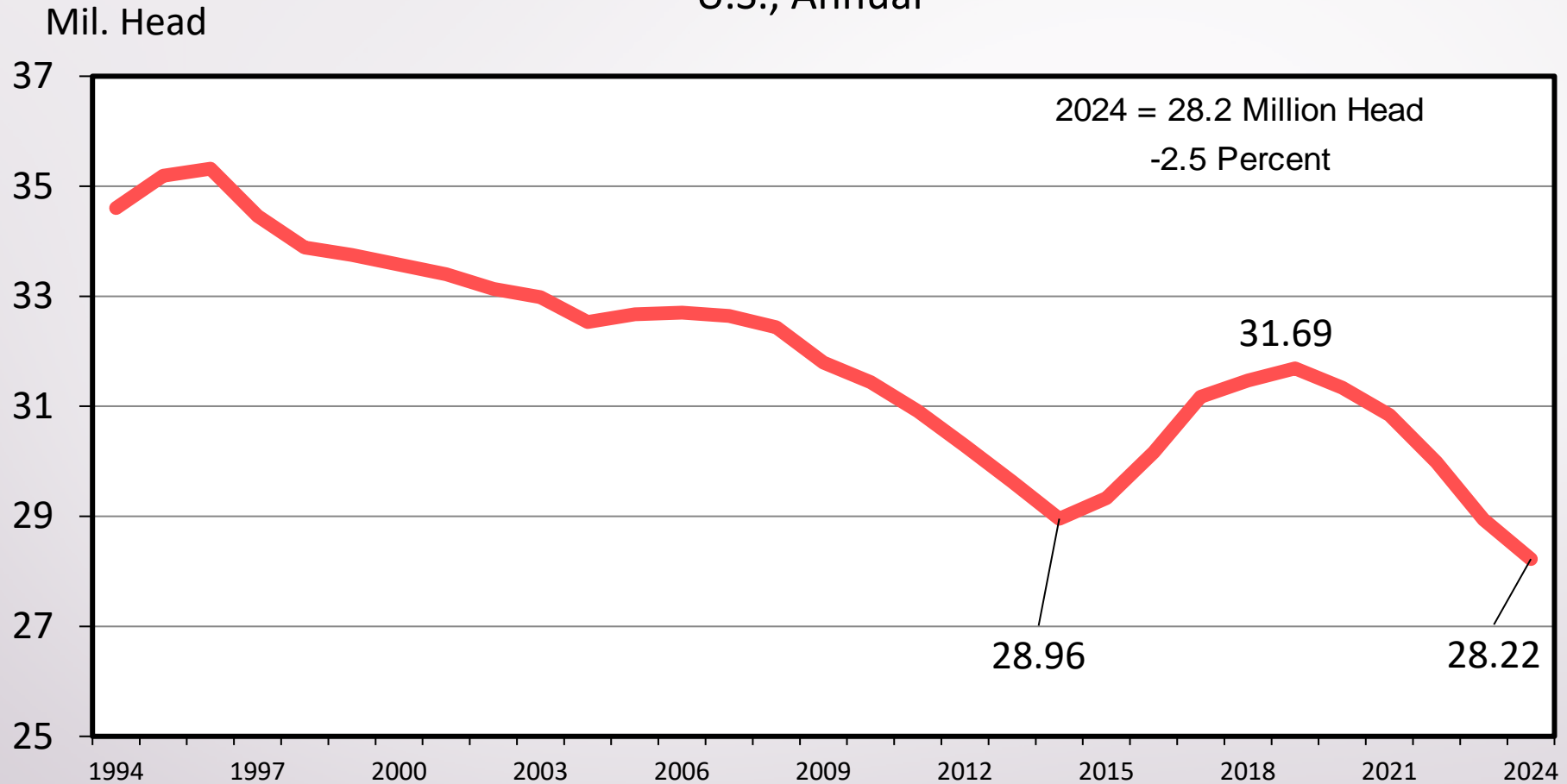
# Quarterly Forecasts: Cattle (LMIC: 9/11/24)

Year Quarter	Live Sltr. Steer Price	% Chg. from	Feeder Steer Price Southern Plains	
	5-Mkt Avg	Year Ago	7-800#	5-600#
<b>2024</b>				
I	181.03	12.5	247.32	311.49
II	188.42	5.3	259.67	316.56
III	189-191	3.1	265-268	306-309
IV	189-193	7.3	259-263	301-305
<b>Year</b>	<b>186-191</b>	<b>7.4</b>	<b>255-260</b>	<b>308-313</b>
<b>2025</b>				
I	189-195	6.1	255-260	312-317
II	191-199	3.5	262-268	313-319
III	193-203	4.2	276-283	311-318
IV	194-206	4.7	272-280	309-317
<b>Year</b>	<b>191-201</b>	<b>4.0</b>	<b>265-275</b>	<b>310-320</b>
<b>2026</b>				
I	195-209	5.2	260-269	318-325
II	197-213	5.1	265-275	318-327
III	199-217	5.1	280-291	315-325
IV	201-219	5.0	276-288	312-323
<b>Year</b>	<b>196-212</b>	<b>4.1</b>	<b>268-283</b>	<b>313-328</b>



# JANUARY 1 BEEF COW INVENTORY

## U.S., Annual



Data Source: USDA-NASS  
Livestock Marketing Information Center

C-N-02  
01/31/24

# Context on Beef Cow Herd Dynamics (March 2022)

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](mailto:jrluke@ksu.edu))*

*Andrew E. Anderson ([ander909@ksu.edu](mailto:ander909@ksu.edu))*

*Glynn T. Tonsor ([gtonsor@ksu.edu](mailto:gtonsor@ksu.edu))*

*Kansas State University Department of Agricultural Economics*

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

# Context on Beef Cow Herd Dynamics

Table 1. Beef Cow Inventory (000's head)

CATTLE CYCLE	AVERAGE	STD DEV	MIN	MAX	RANGE	RELATIVE RANGE*
1949-1958	21,772	3,867	15,919	25,659	9,740	44.7%
1958-1967	29,300	3,898	24,165	34,442	10,277	35.1%
1967-1979	39,505	3,520	34,708	45,711	11,003	27.9%
1979-1990	36,033	2,373	32,487	39,229	6,742	18.7%
1990-2004	33,688	909	32,454	35,318	2,864	8.5%
2004-2014	31,704	1,108	29,631	32,702	3,071	9.7%
2014-PRESENT	30,620	1,025	28,956	31,690	2,734	8.9%

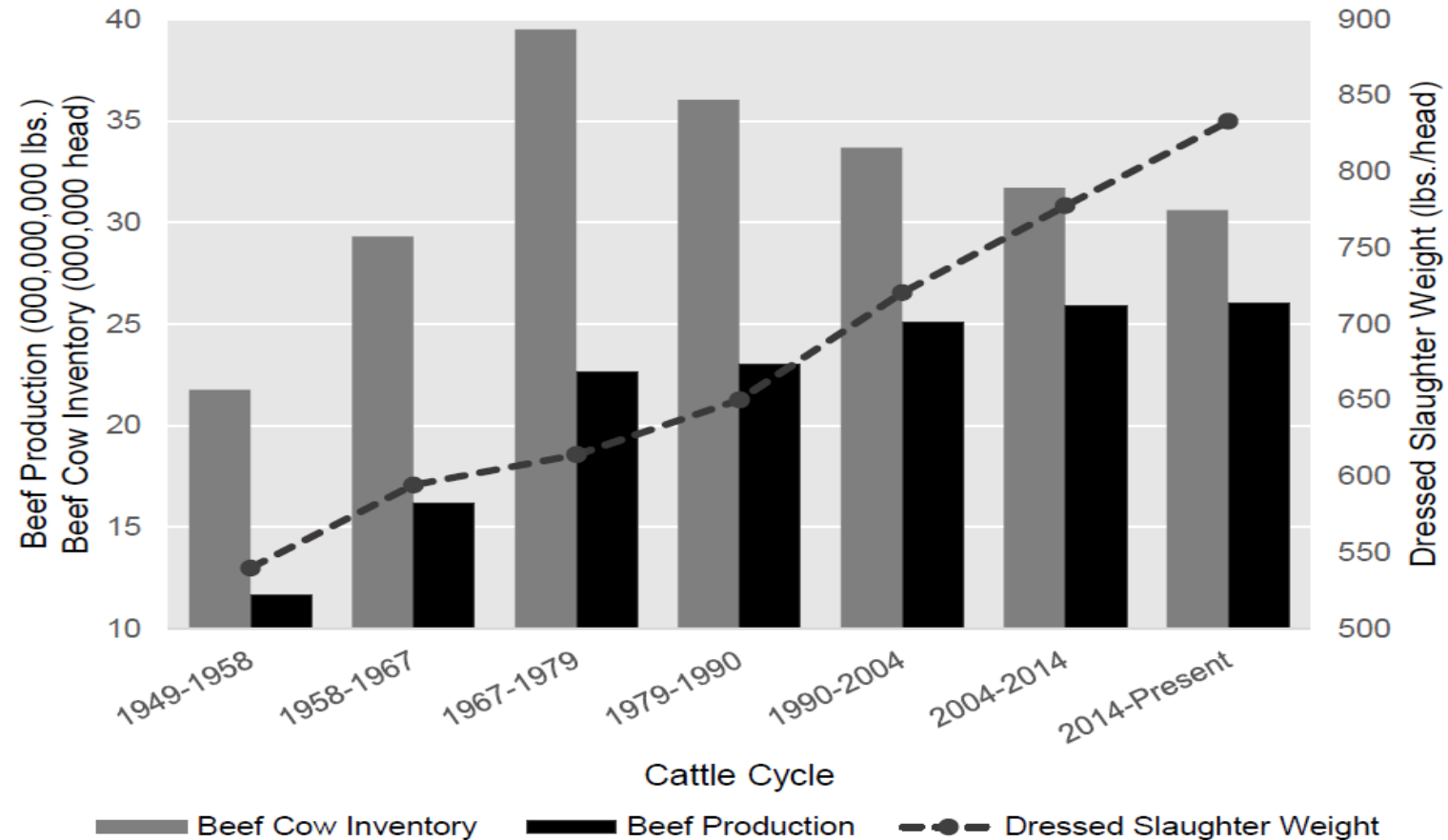
\* Relative range is calculated as  $100 * \text{range} / \text{average}$ .

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

*Take-Home: Herd size changes less each "cycle"*

# Context on Beef Cow Herd Dynamics

Figure 3. Average Inventory, Production, and Slaughter Weight across Cattle Cycles



***Take-Home: Higher Dressed Weights & Harvested Animals per Cow Key***

• <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>

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

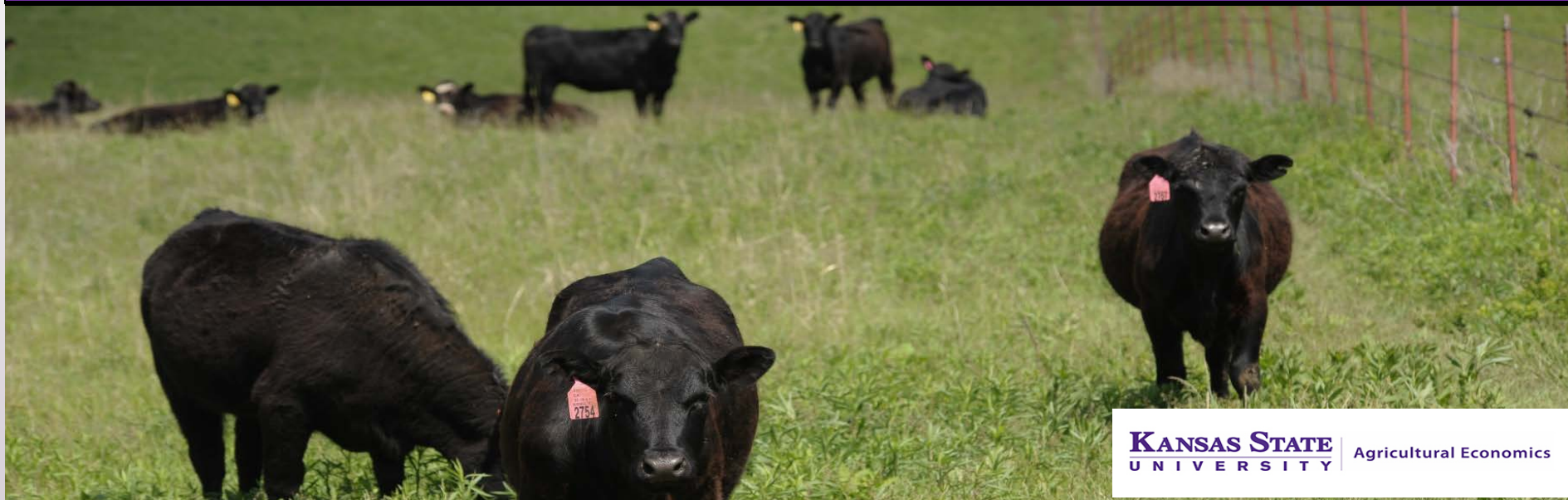
## *KSU-Beef Replacements*

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



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.info

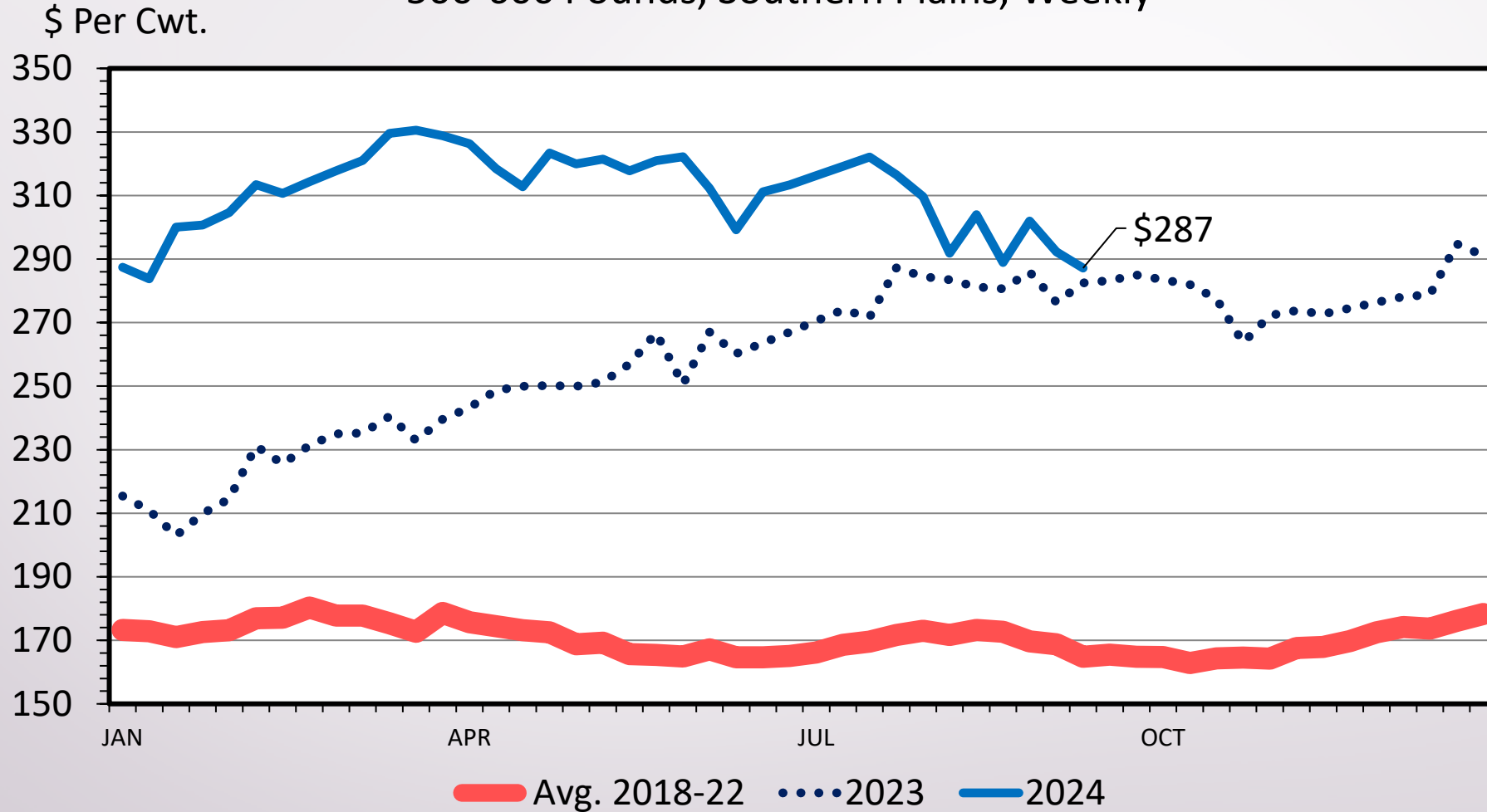
Version- 12.7.2023



**KANSAS STATE**  
UNIVERSITY | Agricultural Economics

# MED. & LRG. #1 STEER CALF PRICES

500-600 Pounds, Southern Plains, Weekly



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

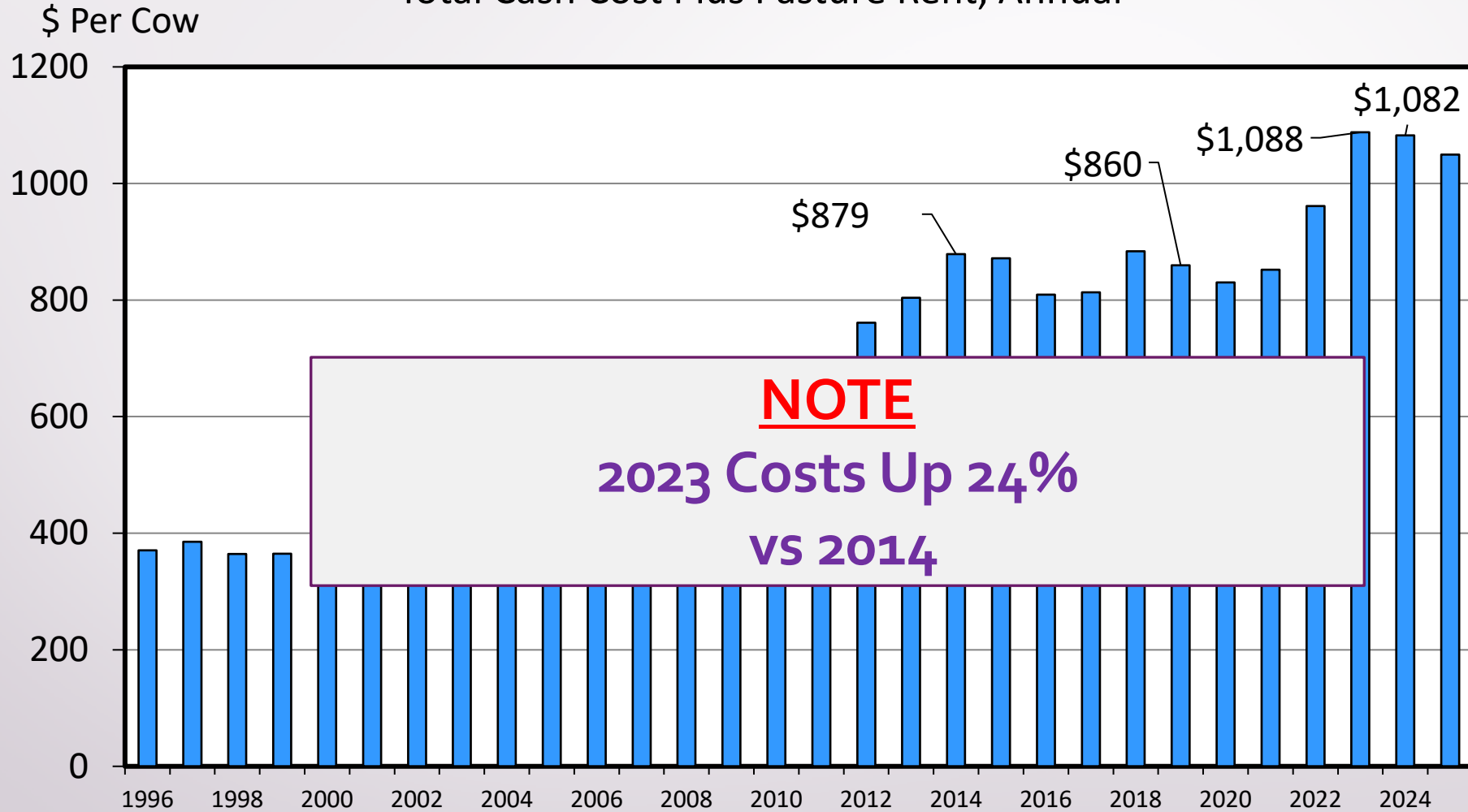
***Salina **FALL CALF** Market, as of 9/16/24***

***10/16/2024 Sell @ Weaning @ 600 lbs***

- ***Expected Cash Price: \$268/cwt***

# ESTIMATED AVERAGE COW CALF COSTS

Total Cash Cost Plus Pasture Rent, Annual

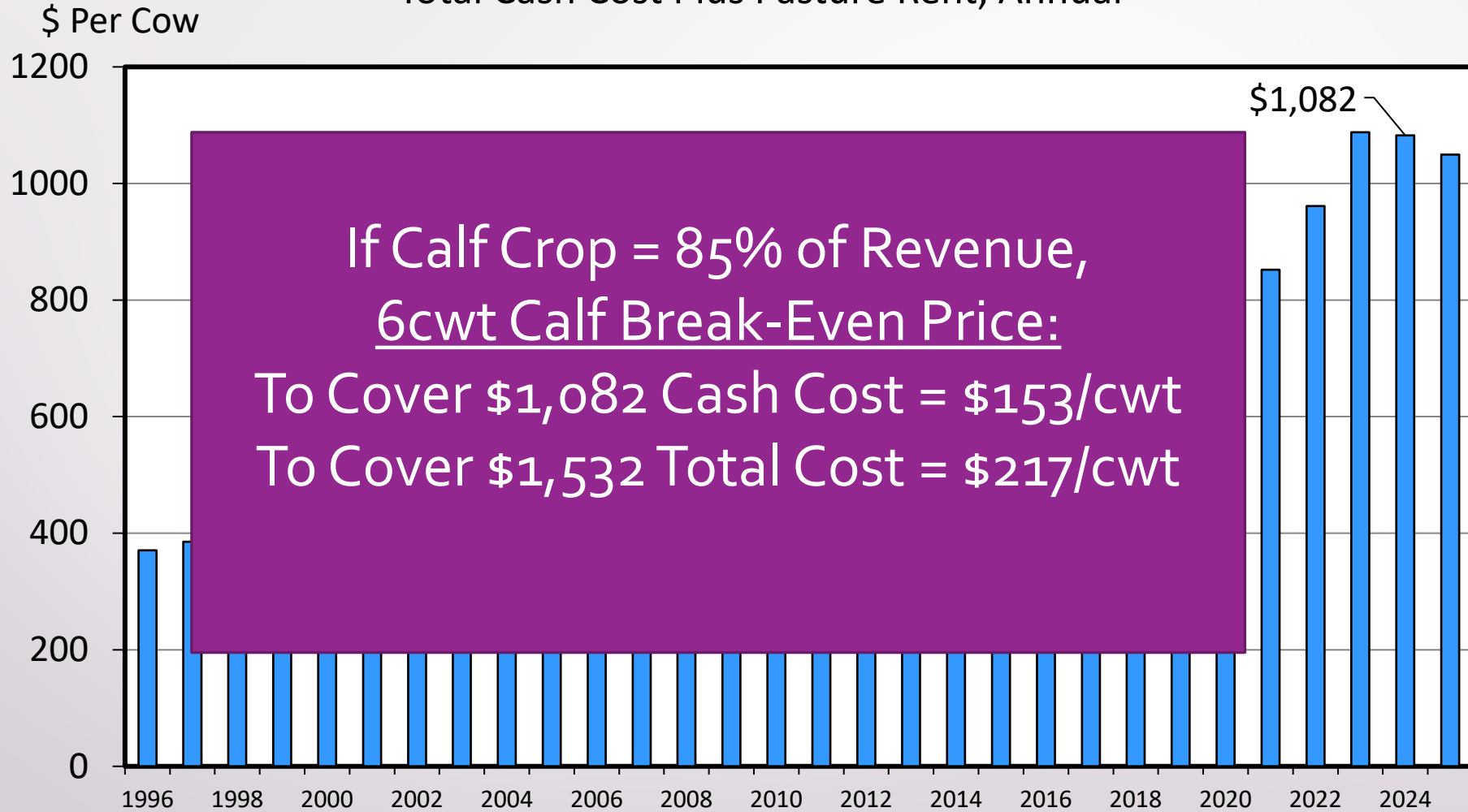


Data Source: USDA & LMIC, Compiled by LMIC

Livestock Marketing Information Center

# ESTIMATED AVERAGE COW CALF COSTS

Total Cash Cost Plus Pasture Rent, Annual

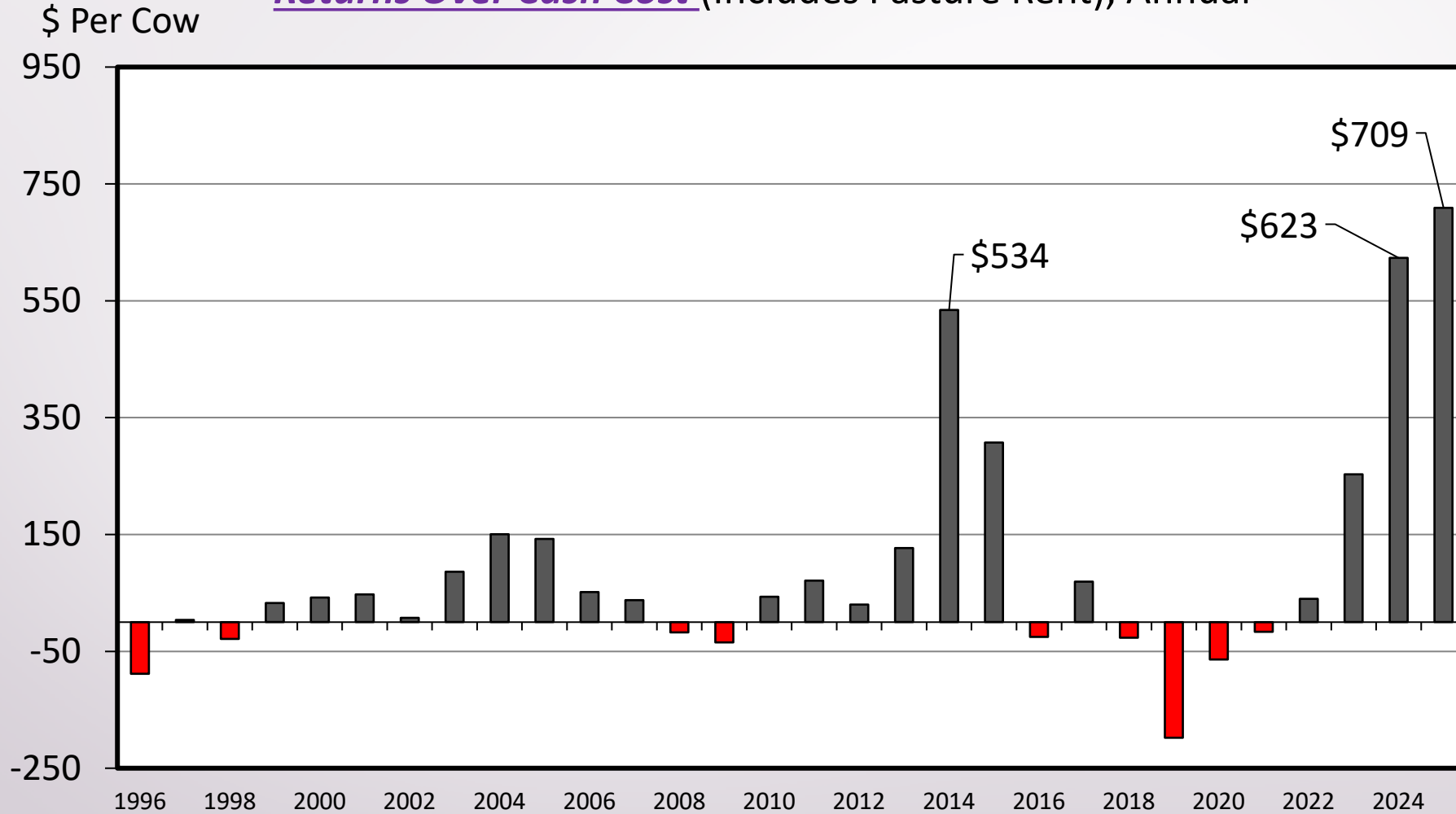


Data Source: USDA & LMIC, Compiled by LMIC

Livestock Marketing Information Center

# ESTIMATED AVERAGE COW CALF RETURNS

Returns Over Cash Cost (Includes Pasture Rent), Annual



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

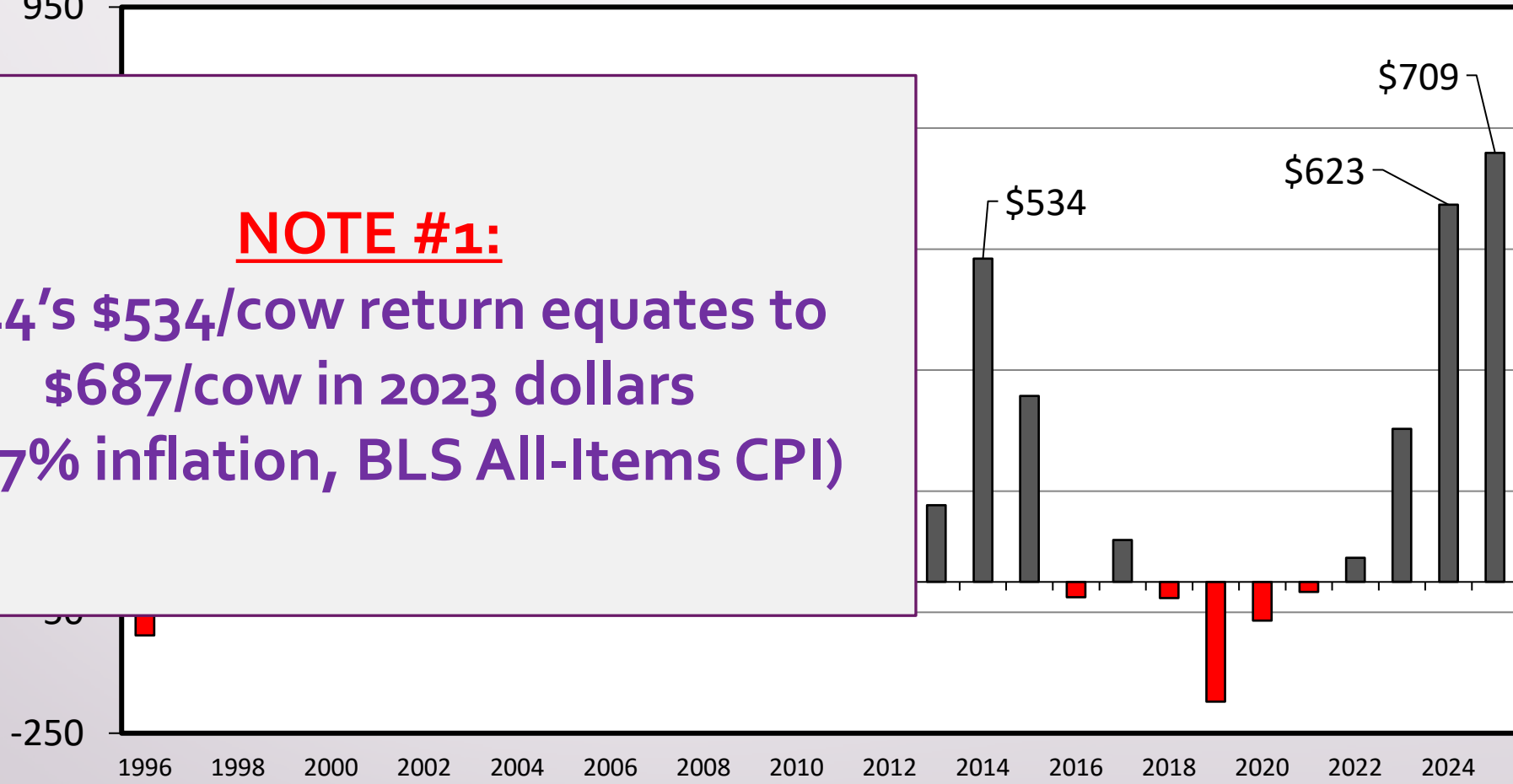
C-P-66  
08/16/24

# ESTIMATED AVERAGE COW CALF RETURNS

Returns Over Cash Cost (Includes Pasture Rent), Annual

\$ Per Cow  
950

**NOTE #1:**  
2014's \$534/cow return equates to \$687/cow in 2023 dollars (28.7% inflation, BLS All-Items CPI)



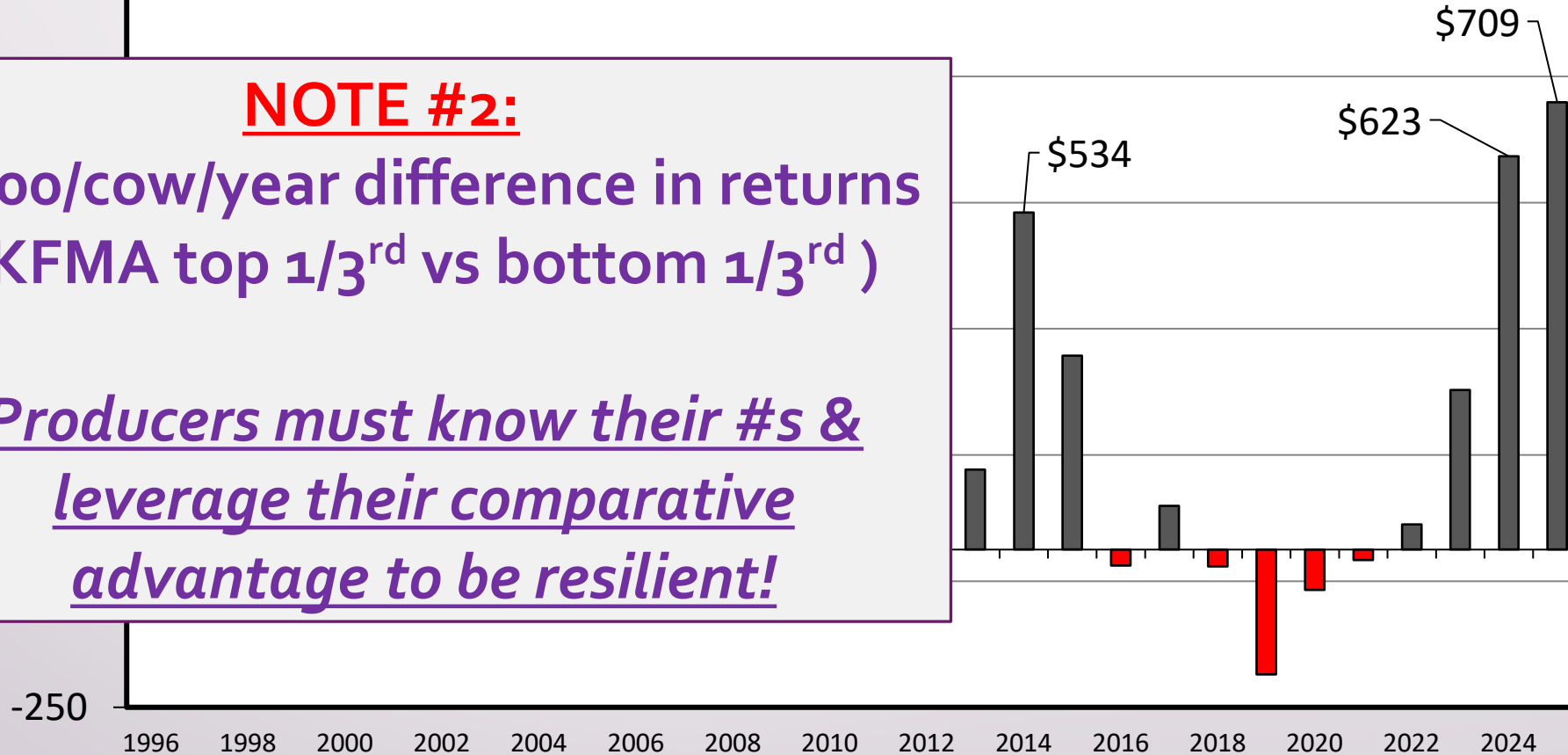
# ESTIMATED AVERAGE COW CALF RETURNS

Returns Over Cash Cost (Includes Pasture Rent), Annual

\$ Per Cow  
950

## NOTE #2:

- \$600/cow/year difference in returns (KFMA top 1/3<sup>rd</sup> vs bottom 1/3<sup>rd</sup>)
- Producers must know their #s & leverage their comparative advantage to be resilient!





# 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

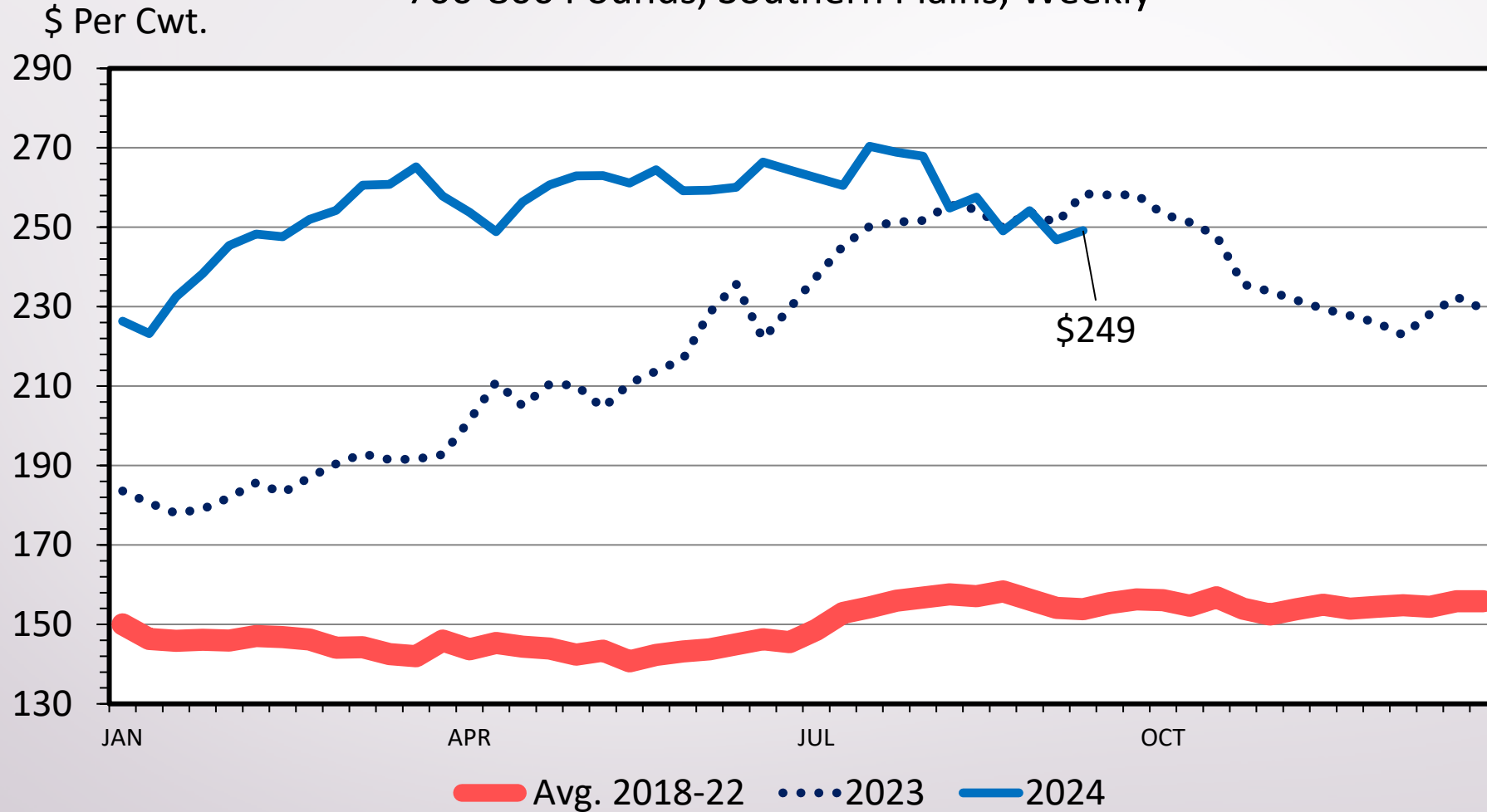


### **INTRODUCTION**

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.

# MED. & LRG. #1 FEEDER STEER PRICES

700-800 Pounds, Southern Plains, Weekly



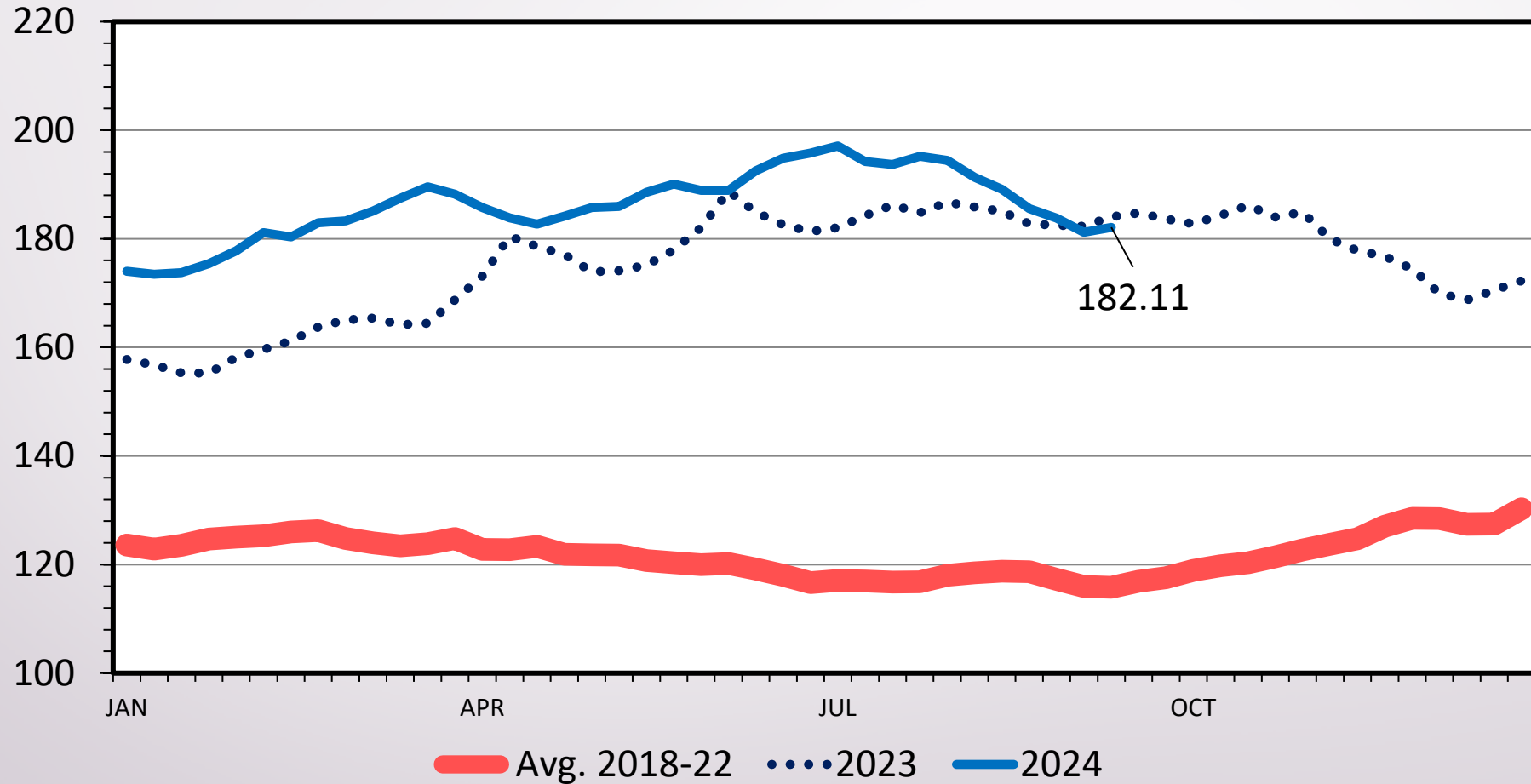
Data Source: USDA-AMS  
Livestock Marketing Information Center

C-P-49  
09/16/24

# SLAUGHTER STEER PRICES

5 Market Weighted Average, Weekly

\$ Per Cwt.



Data Source: USDA-AMS

Livestock Marketing Information Center

09/16/24

# Historical and Projected Kansas Feedlot Net Returns (as of 9/12/24')

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

## July 24': +\$240/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-24	-17.63	109.93	179.71	178.02	1.68	229.74	107.25	180.93	227.48
Sep-24	-188.97	110.32	178.19	178.02	0.16	244.25	81.03	191.20	220.86
Oct-24	-132.05	108.71	180.72	178.60	2.12	249.51	89.53	189.75	232.44
Nov-24	-154.07	107.11	181.03	178.60	2.43	254.94	85.19	191.41	235.20
Dec-24	-281.52	104.95	182.01	179.60	2.41	264.46	63.38	200.42	231.42
Jan-25	-326.57	107.76	179.88	179.60	0.28	263.21	56.82	202.12	223.75
Feb-25	-220.77	109.21	181.67	181.20	0.47	255.87	75.26	196.92	228.21
Mar-25	-41.50	107.64	182.97	181.20	1.77	238.97	101.31	185.84	233.72
Apr-25	-73.71	107.13	177.85	175.65	2.20	236.09	96.15	182.94	226.61
May-25	40.12	103.31	181.55	175.65	5.90	232.67	109.10	178.86	237.68

**Representative Barometer for Trends in Profitability**



# Beef Demand

# Demand is NOT Per Capita Consumption

**Cow Calf Weekly**  
Your news, anywhere, anytime.

**BEEF**

GET IT NOW!



MARKETING > OUTLOOK

## What's The Similarity Between Blue Jeans and Beef Demand?

Beef consumption and beef demand isn't the same thing. Here's an explanation.

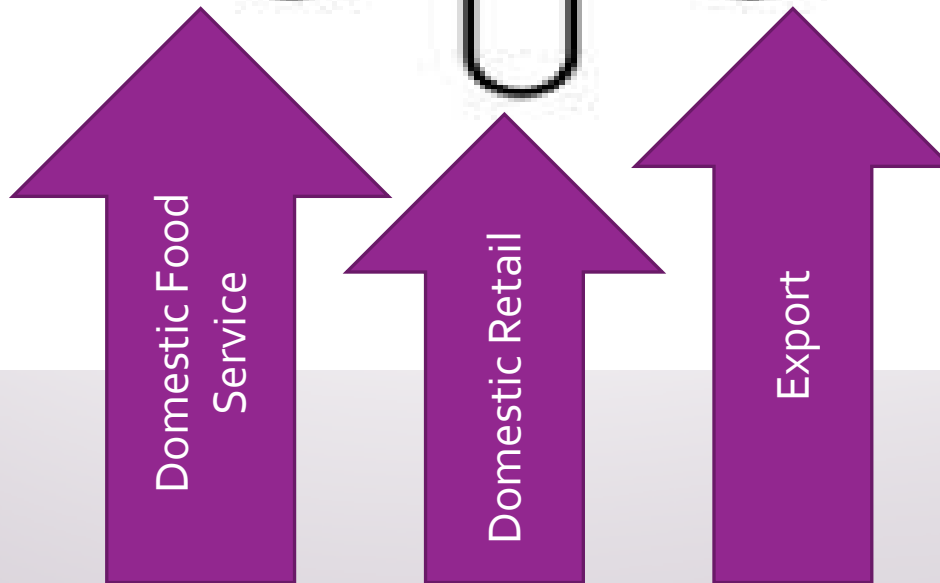
Burt Rutherford | Sep 19, 2013

LMIC

2024: 58.5 lbs

2025: 56.5 lbs

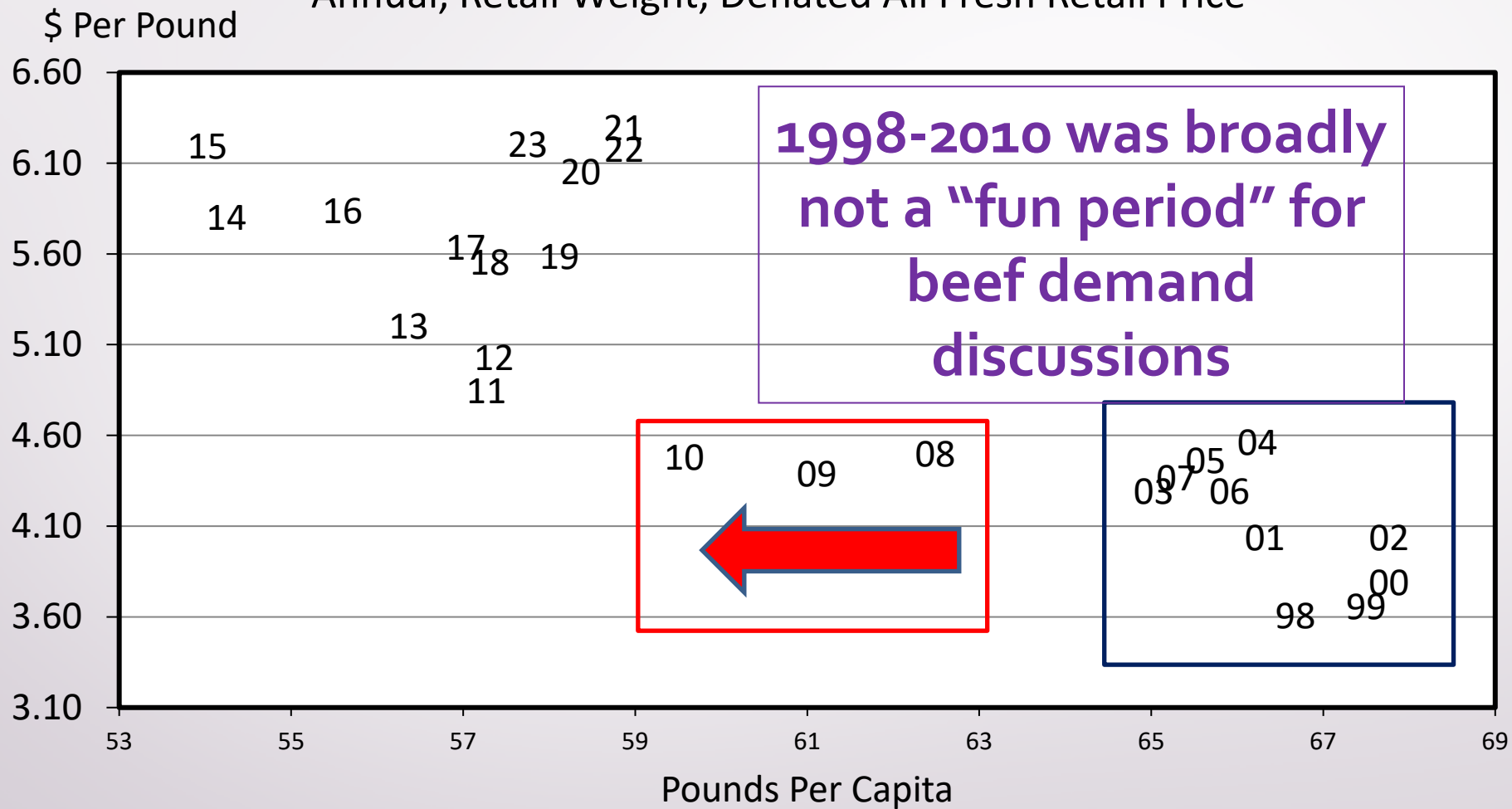
2026: 54.7 lbs



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

# BEEF PRICE-QUANTITY RELATIONSHIP

Annual, Retail Weight, Deflated All Fresh Retail Price



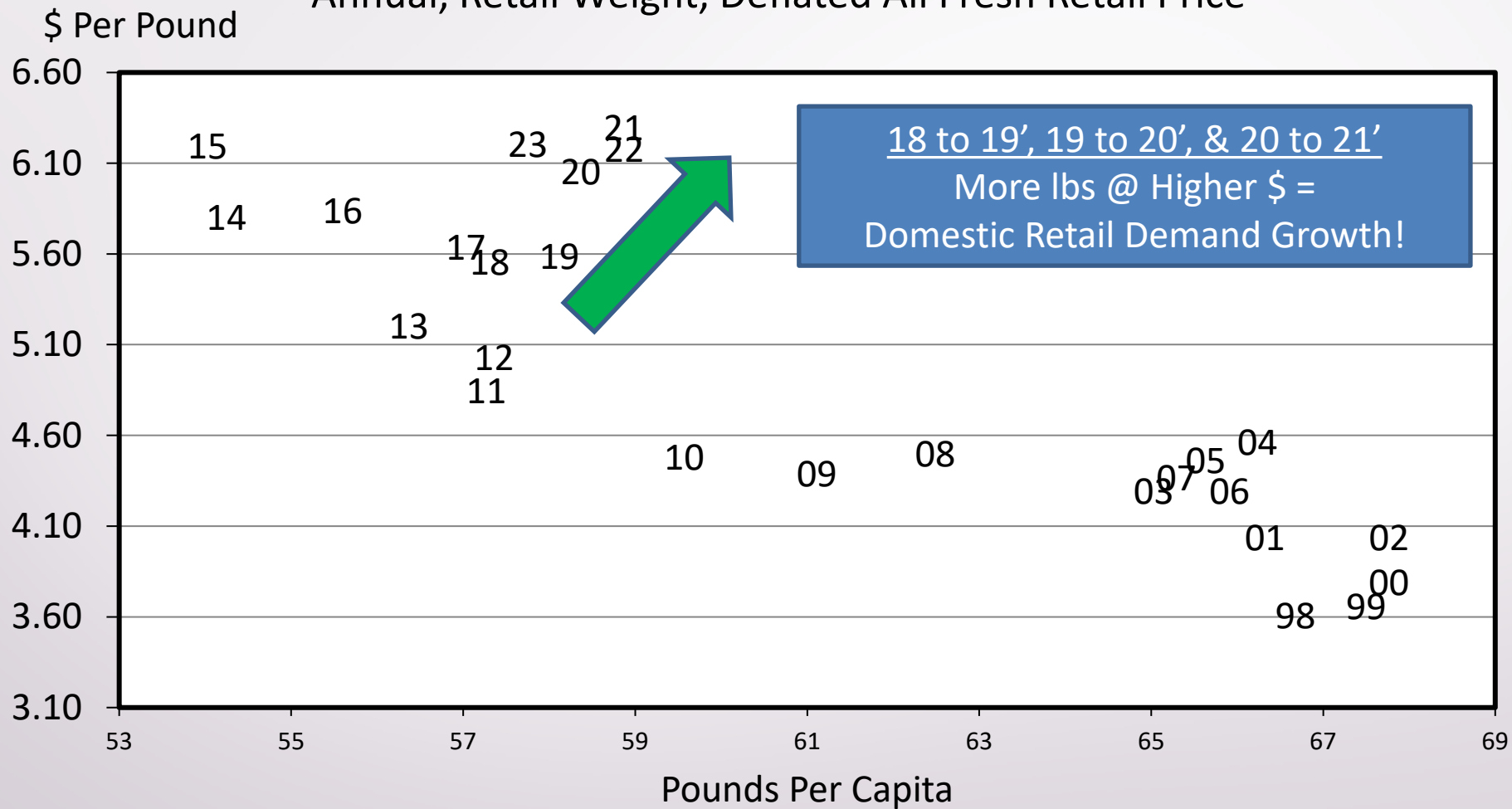
Data Source: Bureau of Economic Analysis & USDA-ERS, Compiled by LMIC  
Livestock Marketing Information Center

C-P-65A  
04/04/24



# BEEF PRICE-QUANTITY RELATIONSHIP

Annual, Retail Weight, Deflated All Fresh Retail Price



Data Source: Bureau of Economic Analysis & USDA-ERS, Compiled by LMIC

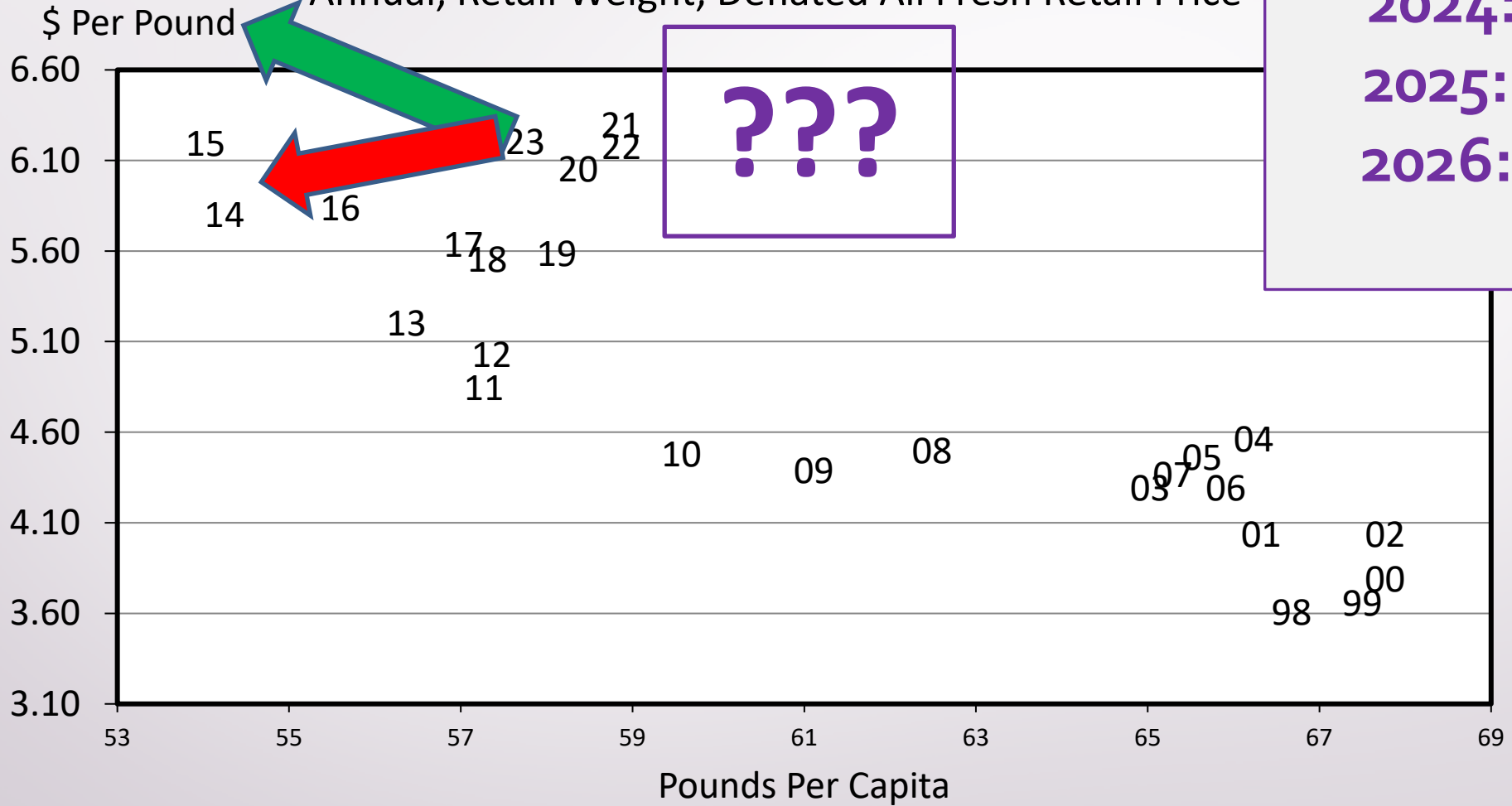
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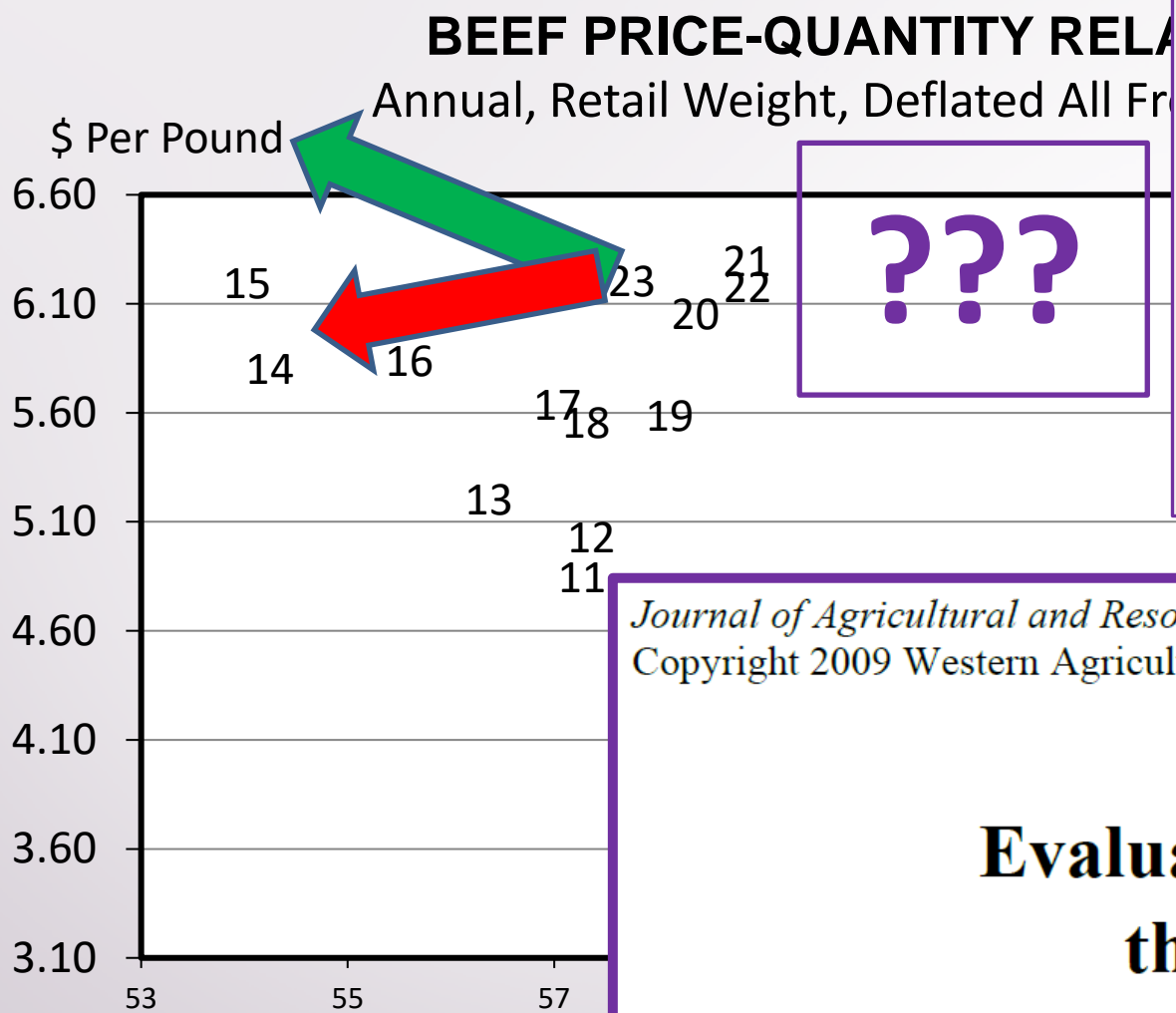
# BEEF PRICE-QUANTITY RELATIONSHIP

Annual, Retail Weight, Deflated All Fresh Retail Price



**LMIC**  
**2024: 58.5 lbs**  
**2025: 56.5 lbs**  
**2026: 54.7 lbs**

# Size of Economic Pie Dictated by Demand Patterns



*Journal of Agricultural and Resource Economics* 34(2):213–236  
Copyright 2009 Western Agricultural Economics Association

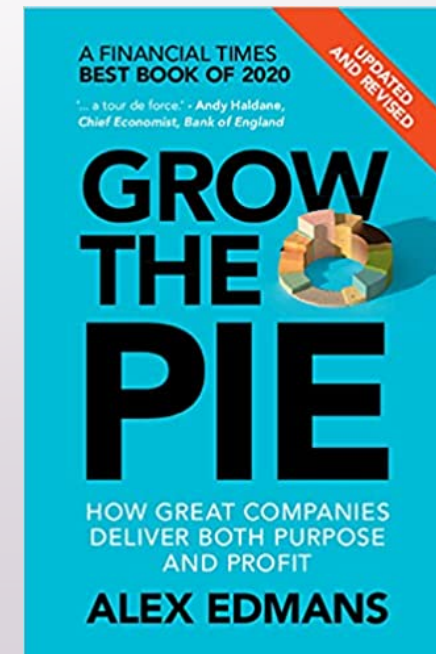
## Evaluating the Farmer's-Share-of-the-Retail-Dollar Statistic

Gary W. Brester, John M. Marsh, and Joseph A. Atwood

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

C-P-65A  
04/04/24

# What is the U.S. beef-cattle industry's future?



# Monthly Meat Demand Monitor, Methods, and Supporting Information

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

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[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
<a href="#">Meat Demand Monitor - August 2020</a>	Tonsor	September 4, 2020	<a href="#">Downloads</a>
<a href="#">Meat Demand Monitor - July 2020</a>	Tonsor	August 4, 2020	<a href="#">Downloads</a>
<a href="#">Meat Demand Monitor - February-June 2020 Summary Report</a>	Tonsor	July 27, 2020	<a href="#">Downloads</a>
<a href="#">Meat Demand Monitor - June 2020</a>	Tonsor	July 2, 2020	<a href="#">Downloads</a>
<a href="#">Meat Demand Monitor - May 2020</a>	Tonsor	May 29, 2020	<a href="#">Downloads</a>
<a href="#">Meat Demand Monitor - Coronavirus (COVID-19) Impact on U.S. Meat Demand:</a>	Tonsor	May 12, 2020	<a href="#">Downloads</a>

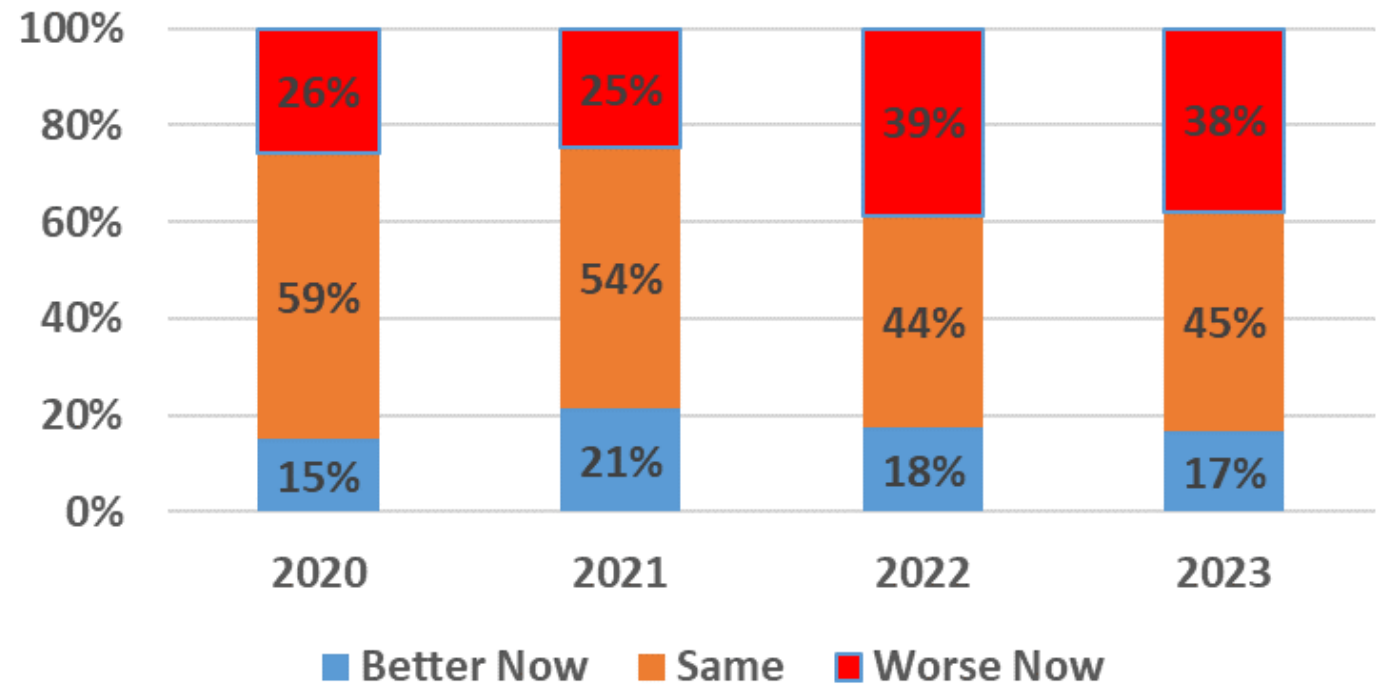
<https://www.agmanager.info/livestock-meat/meat-demand/monthly-meat-demand-monitor-survey-data>

# MDM: Meat Demand Monitor

The MDM tracks U.S. consumer preferences, views, and demand for meat with separate analysis for retail and food service channels. MDM is a monthly online survey with a sample of over 2,000 respondents reflecting the national population.

## U.S. Meat Demand Update & Role of Financial Sentiment: 2020-2023

### Consumer Sentiment: Now vs. One Year Ago

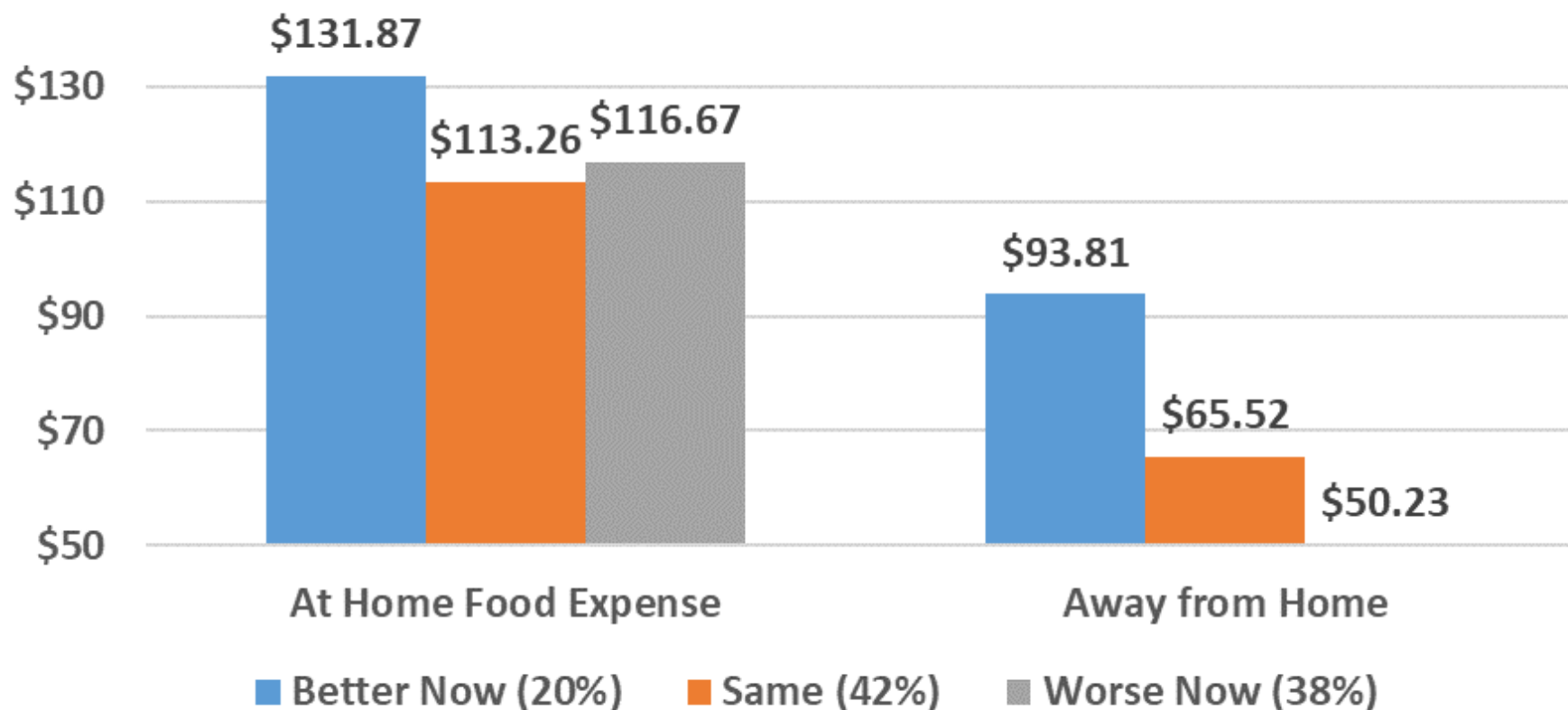


<https://www.agmanager.info/livestock-meat/meat-demand/monthly-meat-demand-monitor-survey-data>

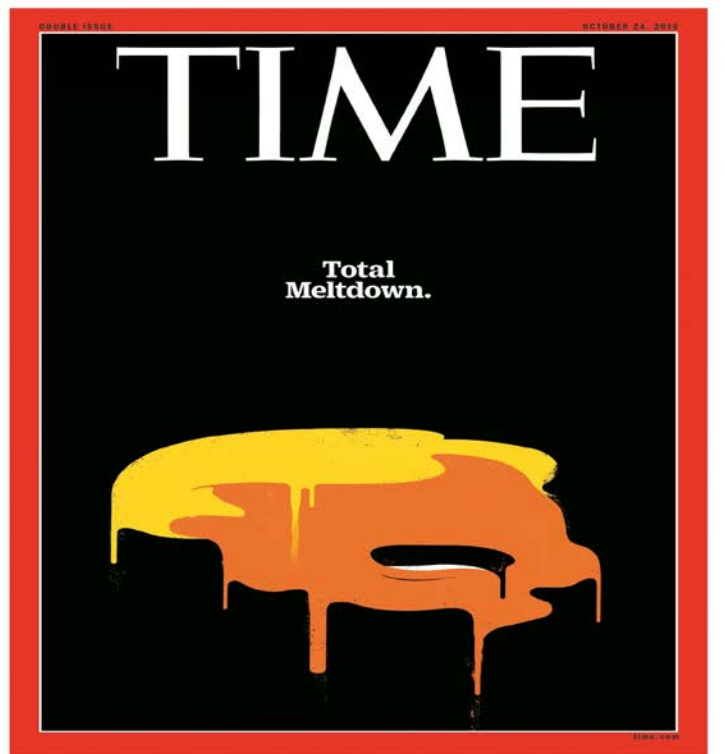
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The MDM tracks U.S. consumer preferences, views, and demand for meat with separate analysis for retail and food service channels. MDM is a monthly online survey with a sample of over 2,000 respondents reflecting the national population.

**Average Weekly Food Expenses, by Financial Sentiment  
(Now vs One Year Ago) for July 2024 (MDM)**



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







*“IT IS TO A MAN’S HONOR TO AVOID  
STRIFE, BUT EVERY FOOL IS QUICK  
TO QUARREL”*

PROVERBS 20:3



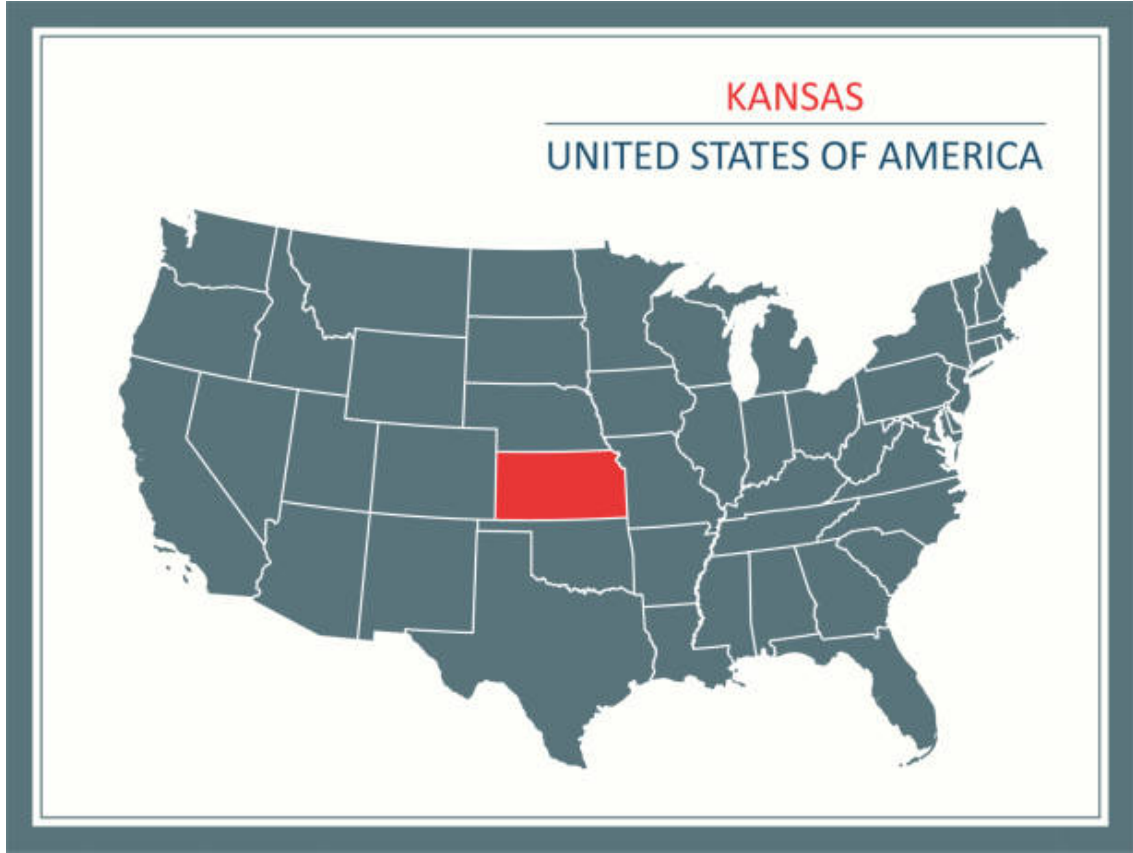
mes, eturgetus

**LISTEN**

We have two ears and one mouth so that we can  
listen twice as much as we speak.  
Epictetus

*“MY DEAR BROTHERS AND  
SISTERS, TAKE NOTE OF THIS:  
EVERYONE SHOULD BE **QUICK TO  
LISTEN, SLOW TO SPEAK ...**”*

**JAMES 1:19**



	<b>Population (residents)</b>	<b>Arable Land (hectares)</b>
KS	2.94 million	18.1 million



	<b>Population (residents)</b>	<b>Arable Land (hectares)</b>
World	8.12 billion	1.38 billion
U.S.	345 million	157.7 million
U.S. % of Globe	4.2%	11.4%
KS	2.94 million	18.1 million
KS % of U.S.	0.85%	11.48%
KS % of Globe	0.04%	1.31%



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