

# Tennessee Market Highlights

UT Extension

January 10, 2014

Number: 02

## Trends for the Week Compared to a Week Ago

### Slaughter Cows

Compared to 3 weeks ago, \$4 to \$9 higher

### Slaughter Bulls

Compared to 3 weeks ago, \$7 to \$10 higher

### Feeder Steers

Compared to 3 weeks ago, \$3 to \$6 higher

### Feeder Heifers

Compared to 3 weeks ago, under 500 lbs. steady to \$2 lower, 500 lbs. and over \$2 higher

### Feeder Cattle Index

Wednesday's index \$171.30

### Fed Cattle

The 5-area live price of \$139.54 is up \$2.08. The dressed price is up \$4.34 at \$221.48.

### Corn

March closed at \$4.32 a bushel, up 9 cents since last Friday.

### Soybeans

March closed at \$12.78 a bushel, up 7 cents a bushel since last Friday.

### Wheat

March closed at \$5.69 a bushel, down 36 cents a bushel since last Friday.

### Cotton

March closed at 82.59 cents per lb, down 0.35 cents per lb since last Friday.

## Livestock Comments by Dr. Andrew P. Griffith

**FED CATTLE:** Fed cattle were \$2 higher compared to last week. Prices on a live basis were primarily \$139 to \$140 while dressed prices were primarily \$221 to \$222. The 5-area weighted average prices thru Thursday were \$139.54 live, up \$2.08 from last week and \$221.49 dressed, up \$4.35 from a week ago. A year ago prices were \$126.36 live and \$204.10 dressed. Cattle feeding margins must be looking much better compared to the week before Christmas due to the sharp rise in fed cattle prices. Cattle coming off feed spent the majority of their time consuming new crop corn and thus the cost of gain was significantly lower than those that were harvested in late summer and early fall. Additionally, many of the cattle that are currently being harvested would have likely been purchased for a relatively lower price than what feeder cattle are trading for currently. High feeder cattle prices now could make feeding prospects look pretty grim in the future.

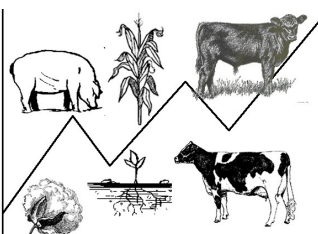
**BEEF CUTOUT:** At midday Friday, the Choice cutout was \$214.61 up \$2.56 from Thursday and up \$12.34 from last Friday. The Select cutout was \$211.48 up \$2.43 from Thursday and up \$14.11 from last Friday. The Choice Select spread was \$3.13 compared to \$4.90 a week ago. The Choice and Select beef cutouts continue on a torrid pace with both cutouts setting record prices this week. The Select cutout price even exceeded the previous record Choice cutout price that was set in May of last year. The large positive movements in the cutout prices is quite surprising considering restaurants and grocery store business was sure to slow down during the week due to freezing temperatures. There was much chatter earlier in the week how changes were made to the calculation of the cutout prices which essentially increased the cutout price by \$2 compared to the previous week if no price changes occurred for particular meat cuts. Minor changes to the cutout price occur on a fairly frequent basis while major changes such as this one are less frequent, but are made in an attempt to represent industry trends associated with yield assumptions. However, the change in the cutout price calculation is not what has caused prices to

climb the mountain. It would seem consumers will eventually push back as prices escalate, but it appears there is much concern associated with the availability of beef in 2014. Beef production will slip significantly when compared to 2013 due to reduced steer and heifer slaughter as well as cow slaughter. In addition, the absence of the beta agonist Zimax in the feedlot will continue to result in lighter carcass weights.

**TENNESSEE AUCTIONS:** On Tennessee auctions this week compared to three weeks ago, feeder steers were \$3 to \$6 higher while feeder bulls were steady to \$6 higher. Heifers under 500 pounds were steady to \$2 lower with heifers over 500 pounds \$2 higher. Slaughter cows were \$4 to \$9 higher while bulls were \$7 to \$10 higher. Average receipts per sale were 428 head on 11 sales compared to 0 head on 0 sales last week and 875 head on 12 sales last year.

**OUTLOOK:** It is not unusual to have a pretty good run of stocker calves the first week or two of the year as most markets have been closed the previous two weeks and producers want to move some calves. Another reason for a good run of calves the first couple of weeks of January has to do with folks deferring income to the next year in hopes of not paying as much in taxes. However, stocker and feeder cattle were slow to come to market this week. The slowness of cattle movement may have largely been due to the frigid temperatures that held folks captive in their own homes. Many producers were probably simply focused on making sure all the livestock were fed and had water and not so worried about hooking up the trailer and sorting cattle in single digit temperatures. With the expectation of warmer temperatures next week, it is likely the weekly livestock auction markets will be running a significant number of head across the scales and through the ring next week. The first few weeks of a new year is not a bad time to market cattle. Just as local producers have not been able to market cattle, cattle buyers have not had as many cattle available for purchase. Generally, cattle

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## Livestock Comments by Dr. Andrew Griffith

(Continued from page 1)

buyers have a few extra dollars in their pocket at the first of the year to purchase calves. Looking at the broad spectrum of 2014, stocker and feeder cattle are likely to eclipse current record prices with ease. However, the stories may be a little different across steers, bulls and heifers. Steers will continue to top the market and may exceed expectations on the price front. Bull calves will likely hold the status quo, but be discounted a little more relative to steers since the reduced supply of stocker and feeder cattle will have buyers competing even harder for good quality animals that have already been castrated. Heifers may be where the headlines are made as the heifer market may split. Most producers across the state and many across the nation have a desire to hold back heifers and increase the herd size. The general tendency for producers is to hold back the “best” heifers to develop as replacement heifers while the less desirable heifers are marketed to the feeder system. The majority of “good” heifers will be retained and developed as potential replacement heifers, or they may be sold to someone else who has the intentions of developing them as replacements. These “good” heifers may have the potential to rival the price of feeder steers. Alternatively, the less desirable heifers will be marketed into the feeding system, and it would not be surprising if the prices modestly increase at best. Therefore, the quality of heifers marketed as feeder cattle is likely to decline significantly compared to previous years.

### Average Daily Slaughter

	Cattle	Hogs
	----- Number of head -----	
This week (4 days)	112,250	383,250
Last week (3 days)	117,333	413,333
Year ago (4 days)	125,750	427,500
This week as percentage of		
Week ago (%)	96%	93%
Year ago (%)	89%	90%

**TECHNICALLY SPEAKING:** Based on Thursday’s closing prices, February closed at \$136.55. Support is at \$136.20, then \$135.30. Resistance is at \$137.10, then \$138.00. The RSI is 66.26. April closed at \$136.88. Support is at \$136.57, then \$135.72. Resistance is at \$137.42, then \$138.27. The RSI is 64.76. June closed at \$130.13. Support is at \$129.78 then \$129.50. Resistance is at \$130.25, then \$130.40. The RSI is 59.94. January feeders closed at \$169.15. Support is at \$168.95, then \$168.55. Resistance is at \$169.35, then \$169.75. The RSI is 66.39. March feeders closed at \$168.82. Support is at \$168.63, then \$168.06. Resistance is at \$169.21 then \$169.78. The RSI is 64.95. May feeders closed at \$169.93. Support is at \$169.68, then \$169.38. Resistance is at \$169.95 then \$170.40. The RSI is 64.17. Friday’s closing prices were as follows: Live/feeder cattle – February \$136.70 +0.15; April \$136.98 +0.10; June \$130.25 +0.13; Feeder cattle - January \$168.65 -0.50; March \$167.65 -1.18; May \$168.90 -1.03; August \$170.68 -0.60; March corn closed at \$4.33 up \$0.21 from Thursday.

### Milk Futures

Thursday January 9, 2014		
Month	Class III Close	Class IV Close
Jan	20.42	21.94
Feb	20.16	22.41
Mar	19.12	21.95
Apr	18.62	21.05
May	18.41	20.38

### USDA Box Beef Cutout Value

	Choice 1-3 600-900 lbs	Select 1-3 600-900 lbs
	----- \$/cwt -----	
Thursday	212.05	209.05
Last Week	200.55	196.05
Year ago	193.55	183.53
Change from week ago	+11.50	+13.00
Change from year ago	+18.50	+25.52

## Crop Comments by Dr. Aaron Smith

	Previous	Current	Change
<b>USD Index</b>	81.02	80.76	-0.25
<b>Crude Oil</b>	94.2	92.67	-1.53
<b>Dow</b>	16,507	16,424	-83

### Overview

Corn was up; cotton and wheat were down; and soybeans were mixed for the week. On Friday the USDA released four major reports: Crop Production, Quarterly Grain Stocks, WASDE, and Winter Wheat Seeding. Highlights of the reports are:

**Corn:** Corn received price support from the USDA increasing domestic use by 100 million bushels and a decrease in supply (61 million bushels) due to average yield being revised down to 158.8 bu/acre in addition to a contraction of beginning stocks by 3 million bushels. Total foreign ending stocks were revised up 64 million bushels. Overall the production reduction was not anticipated as many thought production would be increased. This rally in the corn market is an excellent opportunity to commence pricing for harvest 2014.

**Soybeans:** Increases in exports (20 million bushels) and crushing (10 million bushels) were offset by increased average farm yield (0.3 bu/acre) and harvested acreage (200,000 acres). The result was estimated ending stocks remaining unchanged at 150 million bushels. Many were looking for a greater increase in exports. Foreign soybean ending stocks were raised 62 million bushels. Esti-

## Crop Comments by Dr. Aaron Smith

mated Brazilian soybean production was increased 37 million bushels to 3.27 billion bushels for the upcoming year. Overall the reports were neutral to bearish for soybeans.

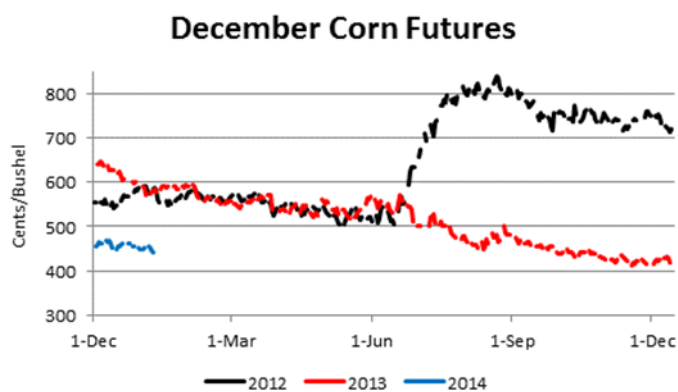
**Cotton:** Minor revisions were made to cotton supplies and use. Domestically, yield was increased 20 lbs/acre and harvest acreage decreased 120,000 acres resulting in a 120,000 bale increase in supply. Exports were increased 100,000 bales leaving domestic ending stocks unchanged at approximately 3 million bales. World cotton stocks increased 1.2 million bales with China adding 1 million bales to their stocks. China currently has 58.31 million bales in ending stocks or just below 60% of all global cotton stocks. Overall the reports were neutral to bearish for cotton.

**Wheat:** Wheat prices declined over 15 cents for nearby futures contracts. Foreign ending stocks were increased 62 million bushels to 6.204 billion bushels and domestic ending stocks increased 33 million bushels due to lower anticipated use. The winter wheat seeding report indicated 41.9 million acres for 2014 down 3% from 2013. Most estimates were looking for planted acreage north of 43 million acres (where will these unseeded acres go or is there a revision to come?). HRW area comprised 30.1 million acres of total wheat acreage up 2% from last year. SRW acreage is estimated at 8.44 million acres down 16% from 2013. In Tennessee, wheat acreage was estimated down 100,000 acres from last year at an estimated 510,000 acres. Excess global supply continues to push wheat prices lower.

### Corn

March 2014 corn futures closed at \$4.32 up 9 cents from last week with support at \$3.97 and resistance at \$4.50. The increase in corn prices is likely not going to be maintained; as such pricing unpriced corn at this point should be considered. Across Tennessee basis (cash price- nearby future price) strengthened in Northwest, Upper-Middle, Northwest Barge Points, and Memphis; while basis weakened in Lower-Middle Tennessee. Overall basis for the week ranged between 6 under and 31 over the March futures contract. Corn net sales reported by exporters for the 2013/14 marketing year from December 27th to January 2nd were 6.1 million bushels, primarily to Japan, Mexico, South Korea, and China. Exports for the same time period were 23.8 million bushels primarily to Japan, China, Mexico, Saudi Arabia, and Columbia. Corn export sales and commitments are 78% of the USDA estimated total annual exports for the 2013/14 marketing year (September 1 to August 31) compared to a 5-year average of 57%. Ethanol production for the week ending January 3rd was 919,000 barrels per day up 6,000 barrels per day. Ending ethanol stocks were 16.138 million barrels up 556,000 barrels. May 2014 corn futures were trading at \$4.40 up 9 cents from last week. Mar/May and Mar/Sep future spreads were 8 cents and 20 cents.

Corn	Mar 14	Change	Sep 14	Change
<b>Price</b>	<b>\$4.32</b>	<b>\$0.09</b>	<b>\$4.52</b>	<b>\$0.07</b>
Support	\$3.97	-\$0.16	\$4.19	-\$0.17
<b>Resistance</b>	<b>\$4.50</b>	<b>\$0.20</b>	<b>\$4.69</b>	<b>\$0.19</b>
20 Day MA	\$4.26	-\$0.03	\$4.47	-\$0.03
<b>50 Day MA</b>	<b>\$4.30</b>	<b>-\$0.03</b>	<b>\$4.51</b>	<b>-\$0.03</b>
100 Day MA	\$4.49	-\$0.02	\$4.69	-\$0.03
<b>4-Week High</b>	<b>\$4.39</b>	<b>-\$0.01</b>	<b>\$4.60</b>	<b>-\$0.01</b>
4-Week Low	\$4.06	-\$0.11	\$4.28	-\$0.10
<b>Technical Trend</b>	<b>Flat</b>	<b>+</b>	<b>Flat</b>	<b>+</b>



September 2014 corn futures closed at \$4.52 up 7 cents from last week with support at \$4.19 and resistance at \$4.69. This week September and December 2014 corn futures prices traded between \$4.28 and \$4.58/bu. Harvest 2014 futures prices are currently trading above \$4.50/bu, while this price is substantially lower than last year at this time it still represents a good starting point to price production. It is more likely that prices will decrease between now and planting than increase. Protecting against the potential for dramatic price declines for harvest 2014 is strongly encouraged for all producers. Downside price protection could be obtained by purchasing a \$4.60 September 2014 Put Option costing 49 cents establishing a \$4.11 futures floor.

### Soybeans

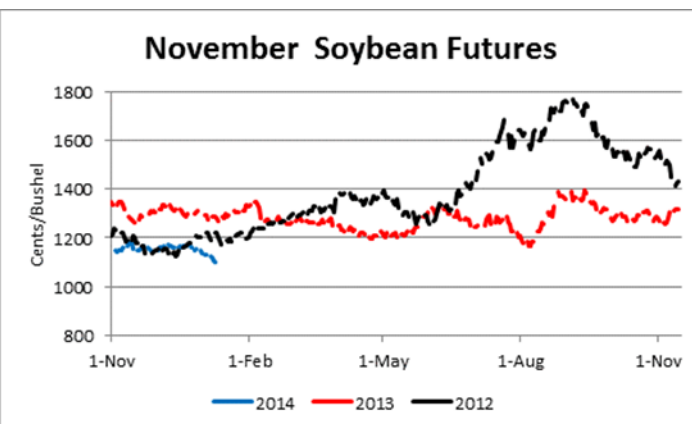
March 2014 soybean futures closed at \$12.78 up 7 cents for the week with support at \$12.56 and resistance at \$13.07. Soybean to corn price ratio was 2.96 at the end of the week. For the week, soybean basis weakened at North West Barge Points, Lower-Middle, and Northwest Tennessee and strengthened in Upper-Middle Tennessee and Memphis. In Tennessee, soybean basis at the end of the week was between 32 under and 60 over the January futures contract at elevators and barge points. Average basis at the end of the week was 22 over the January futures contract. Net sales reported by exporters for the 2013/14 marketing year from December 27th to January 2nd were 5.7 million bushels, primarily to China, the Netherlands, Tunisia, Indonesia, and Japan.

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## Crop Comments by Dr. Aaron Smith

Exports for the same period were 61.6 million bushels primarily to China, Thailand, Saudi Arabia, the Netherlands, and Mexico. Soybean export sales and commitments were 102% of the USDA estimated total annual exports for the 2013/14 marketing year (September 1 to August 31), compared to a 5-year average of 77%. May 2014 soybean futures were trading at \$12.60. Mar/May and Mar/Nov future spreads were -18 cents and -179 cents.

Soybeans	Mar 14	Change	Nov 14	Change
<b>Price</b>	<b>\$12.78</b>	<b>\$0.07</b>	<b>\$10.99</b>	<b>-\$0.30</b>
Support	\$12.56	-\$0.02	\$10.86	-\$0.35
<b>Resistance</b>	<b>\$13.07</b>	<b>\$0.22</b>	<b>\$11.16</b>	<b>-\$0.22</b>
20 Day MA	\$13.01	-\$0.11	\$11.43	-\$0.14
<b>50 Day MA</b>	<b>\$12.92</b>	<b>\$0.01</b>	<b>\$11.52</b>	<b>-\$0.06</b>
100 Day MA	\$12.95	\$0.01	\$11.67	-\$0.03
<b>4-Week High</b>	<b>\$13.39</b>	<b>\$0.00</b>	<b>\$11.74</b>	<b>\$0.00</b>
4-Week Low	\$12.62	\$0.00	\$10.95	-\$0.30
<b>Technical Trend</b>	<b>Down</b>	<b>+</b>	<b>Strong Down</b>	<b>=</b>

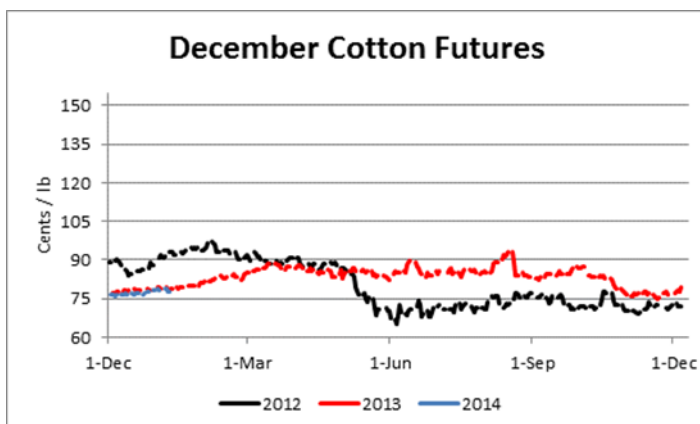


November 2014 soybean futures closed at \$10.99 down 30 cents for the week with support at \$10.86 and resistance at \$11.16. This week November 2014 soybean futures traded between \$10.95 and \$11.31/bu. Strong export sales continue to support nearby soybean future contracts and led the USDA to revise their export numbers on the WASDE report. Soybean prices for harvest 2014 continue to be substantially lower than nearby futures contracts. This is due to anticipated record production in South America and more importantly anticipated record planting of soybeans domestically. Pricing some 2014 production prior to planting is strongly encouraged. Any rallies in harvest soybean prices should be looked at as opportunities to commence 2014 pricing. Downside price protection could be achieved by purchasing an \$11.00 November 2014 Put Option which would cost 62 cents and set a \$10.38 futures floor.

### Cotton

March 2014 cotton futures closed at 82.59 down 0.35 cents for the week with support at 81.49 and resistance at 85.29. Nearby cotton futures continue to trade at 82 to 84 cents and are currently testing the upper end of this range. Nearby cotton futures are likely to continue to trading in the low or mid 80 cent range. Cotton adjusted world price (AWP) decreased 0.42 cents to 67.67 cents. Net sales reported by exporters for the 2013/14 marketing year from December 27th to January 2nd were up from last week at 68,100 bales of upland cotton, primarily to Turkey, Taiwan, Pakistan, South Korea, and China. Exports for the same period were 211,300 bales primarily to Turkey, China, Vietnam, Thailand, and Mexico. Cotton export sales and commitments are 74% of the USDA estimated total annual exports for the 2013/14 marketing year (August 1 to July 31), compared to a 5-year average of 77%. May 2014 cotton futures are trading at 82.74 down 0.19 cents from last week. Mar/May and Mar/Dec future spreads were 0.15 cents and -5.14 cents.

Cotton	Mar 14	Change	Dec 14	Change
<b>Price</b>	<b>82.59</b>	<b>-0.35</b>	<b>77.45</b>	<b>-0.71</b>
Support	81.49	-0.56	76.53	-0.90
<b>Resistance</b>	<b>85.29</b>	<b>0.66</b>	<b>79.07</b>	<b>0.00</b>
20 Day MA	83.40	0.72	77.59	0.36
<b>50 Day MA</b>	<b>80.65</b>	<b>0.25</b>	<b>76.95</b>	<b>0.02</b>
100 Day MA	82.30	-0.30	77.94	-0.08
<b>4-Week High</b>	<b>85.29</b>	<b>0.00</b>	<b>78.95</b>	<b>0.00</b>
4-Week Low	80.58	2.38	76.00	0.00
<b>Technical Trend</b>	<b>Flat</b>	<b>-</b>	<b>Down</b>	<b>-</b>



December 2014 cotton futures closed at 77.45 down 0.71 cents for the week with support at 76.53 and resistance at 79.07. This week the December 2014 futures contract traded between 77.18 and 78.95 cents. 2014 harvest prices continue to follow 2013 prices at the time last year. Overall prices will continue to be impacted by large Chinese stocks however it is likely that opportunities to price cotton near the 85 cent range between now and harvest will occur. These opportunities should not be allowed to pass idly by. Using a tiered pricing system (pricing production at multiple times during the year) is strongly encouraged as it will help

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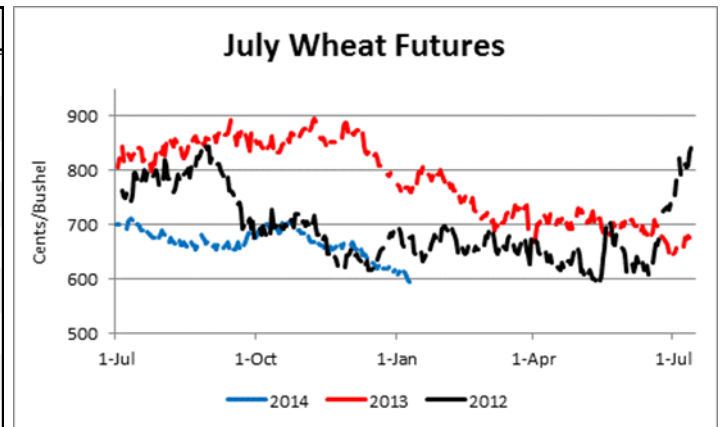
## Crop Comments by Dr. Aaron Smith

smooth price fluctuation throughout the marketing year and improve average price should the market turn downward. Any rallies in the market near 80 cents prior to planting should be viewed as an opportunity to start establishing a price on 2014 production. Downside price protection could be obtained by purchasing a 78 cent December 2014 Put Option costing 5.17 cents establishing a 72.83 cent futures floor.

### Wheat

March 2014 wheat futures closed at \$5.69 down 36 cents for the week with support at \$5.41 and resistance at \$6.07. Net sales reported by exporters for the 2013/14 marketing year from December 27th to January 2nd were 4.1 million bushels, primarily to the Philippines, Brazil, Japan, and Mexico. Net sales reported by exporters for the 2014/15 marketing year were 6.8 million bushels primarily to China. Exports for the same period were 16 million bushels primarily to the Philippines, Japan, Taiwan, Brazil, and Italy. Wheat export sales are 82% of the USDA estimated total annual exports for the 2013/14 marketing year (June 1 to May 31), above the 5-year average of 77%. May 2014 wheat futures are trading at \$5.75 down 36 cents from last week. Mar/May and Mar/Jul future spreads were 6 cents and 11 cents.

Wheat	Mar 14	Change	Jul 14	Change
Price	\$5.69	-\$0.36	\$5.80	-\$0.34
Support	\$5.41	-\$0.49	\$5.55	-\$0.47
Resistance	\$6.07	-\$0.09	\$6.14	-\$0.09
20 Day MA	\$6.06	-\$0.14	\$6.16	-\$0.13
50 Day MA	\$6.38	-\$0.11	\$6.44	-\$0.10
100 Day MA	\$6.59	-\$0.03	\$6.60	-\$0.04
4-Week High	\$6.43	-\$0.29	\$6.48	-\$0.24
4-Week Low	\$5.60	-\$0.35	\$5.72	-\$0.34
Technical Trend	Strong Down	=	Strong Down	=



July 2014 wheat futures closed at \$5.80 down 34 cents for the week with support at \$5.55 and resistance at \$6.14. In Tennessee, June/July cash forward contracts averaged \$5.85/bu with a range of \$5.34/bu to \$6.15/bu at elevators and barge points. Wheat prices are likely to continue to trade below \$6.00/bu until excess stocks come down or new crop supply concerns become prevalent. Downside price protection could be obtained by purchasing a \$5.90 July 2014 Put Option costing 37 cents establishing a \$5.53 futures floor.

### Additional Information

If you would like further information or clarification on topics discussed in the crop comments section or would like to be added to our free email list please contact me at [aaron.smith@utk.edu](mailto:aaron.smith@utk.edu).

## Futures Settlement Prices: Crops & Livestock

Friday, January 3, 2014 — Thursday, January 9, 2014

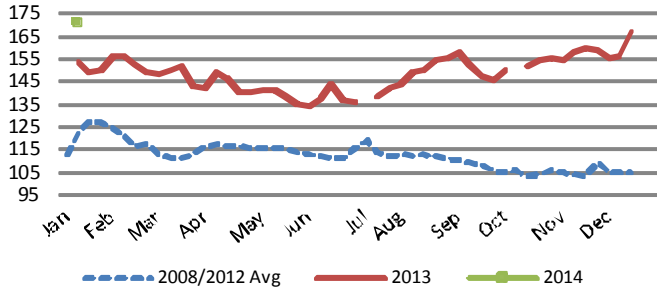
Commodity	Contract Month	Friday	Monday	Tuesday	Wednesday	Thursday
<b>Soybeans</b> (\$/bushel)	Jan	12.89	12.97	12.99	13.01	12.96
	Mar	12.71	12.77	12.76	12.69	12.74
	May	12.58	12.61	12.59	12.50	12.55
	Jul	12.48	12.51	12.47	12.37	12.40
	Aug	12.21	12.21	12.17	12.05	12.04
	Sep	11.65	11.64	11.58	11.44	11.42
<b>Corn</b> (\$/bushel)	Mar	4.23	4.28	4.26	4.17	4.12
	May	4.32	4.36	4.34	4.25	4.20
	Jul	4.39	4.42	4.40	4.32	4.28
	Sep	4.45	4.49	4.47	4.39	4.34
	Dec	4.52	4.55	4.53	4.46	4.41
	Mar	4.62	4.65	4.63	4.56	4.51
<b>Wheat</b> (\$/bushel)	Mar	6.06	6.06	6.02	5.89	5.84
	May	6.11	6.11	6.08	5.94	5.89
	Jul	6.14	6.14	6.11	5.98	5.94
	Sep	6.24	6.24	6.21	6.08	6.04
	Dec	6.38	6.38	6.34	6.21	6.18
<b>Soybean Meal</b> (\$/ton)	Jan	425	429	435	431	433
	Mar	407	414	416	413	414
	May	400	405	406	402	403
	Jul	395	399	399	395	395
	Aug	385	388	387	384	382
	Sep	371	373	371	368	366
<b>Cotton</b> (¢/lb)	Mar	82.94	83.63	84.67	83.14	82.81
	May	82.83	83.61	84.63	83.22	82.81
	Jul	82.92	83.48	84.28	83.08	82.67
	Oct	79.08	79.56	80.00	78.70	78.48
	Dec	78.16	78.56	78.88	77.48	77.46
<b>Live Cattle</b> (\$/cwt)	Feb	136.30	136.82	136.52	136.52	136.55
	Apr	136.57	136.92	136.35	136.97	136.87
	Jun	130.05	130.10	129.32	129.95	130.12
	Aug	128.15	128.27	127.70	128.02	128.22
	Oct	131.32	131.50	131.17	131.52	132.00
<b>Feeder Cattle</b> (\$/cwt)	Jan	167.62	168.02	168.05	168.47	169.15
	Mar	168.10	168.10	167.82	168.55	168.82
	Apr	168.95	168.90	168.40	169.17	169.62
	May	169.70	169.72	169.37	169.67	169.92
	Aug	171.00	171.10	170.62	171.20	171.27
	Sep	170.00	170.10	169.75	170.20	170.40
<b>Market Hogs</b> (\$/cwt)	Feb	86.67	86.62	85.52	85.57	85.25
	Apr	91.57	91.42	90.72	91.10	90.72
	May	98.70	98.70	98.50	98.85	98.47
	Jun	101.00	101.20	100.62	101.05	100.60
	Jul	99.75	99.85	99.50	99.65	99.45

**Prices on Tennessee Reported Livestock Auctions for the week ending January 10, 2014**

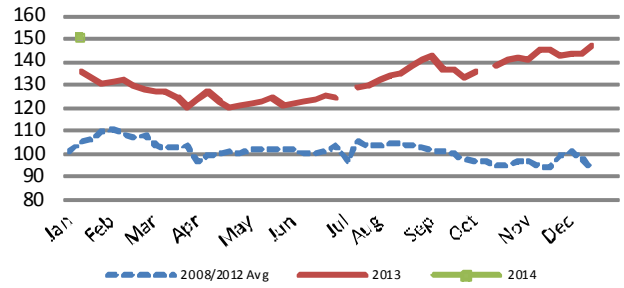
	This Week			Last Week	Year Ago
	Low	High	Weighted Average	Weighted Average	Weighted Average
----- \$/cwt -----					
<b>Steers: Medium/Large Frame #1-2</b>					
300-400 lbs	185.00	223.00	201.06	----	184.84
400-500 lbs	165.00	215.00	189.69	----	169.19
500-600 lbs	151.00	190.00	171.04	----	153.74
600-700 lbs	140.00	177.50	156.46	----	142.46
700-800 lbs	136.00	162.50	149.77	----	135.30
<b>Steers: Small Frame #1-2</b>					
300-400 lbs	150.00	184.00	162.03	----	161.16
400-500 lbs	120.00	182.50	158.93	----	152.12
500-600 lbs	142.50	164.00	147.25	----	140.23
600-700 lbs	127.00	138.00	132.48	----	124.15
<b>Steers: Medium/Large Frame #3</b>					
300-400 lbs	161.00	208.00	182.14	----	161.83
400-500 lbs	140.00	173.00	161.61	----	149.64
500-600 lbs	125.00	172.50	155.22	----	135.91
600-700 lbs	130.00	155.00	145.49	----	125.79
700-800 lbs	131.00	142.00	137.69	----	121.72
<b>Holstein Steers</b>					
300-400 lbs	----	----	----	----	106.34
500-600 lbs	95.00	114.00	106.15	----	90.44
700-800 lbs	94.00	97.50	96.45	----	----
<b>Slaughter Cows &amp; Bulls</b>					
Breakers 75-80%	79.00	93.50	85.90	----	74.54
Boners 80-85%	78.00	94.00	85.72	----	74.82
Lean 85-90%	70.00	82.50	76.13	----	69.04
Bulls YG 1	90.00	113.50	100.61	----	91.45
<b>Heifers: Medium/Large Frame #1-2</b>					
300-400 lbs	151.00	197.50	166.76	----	150.88
400-500 lbs	138.00	178.00	158.29	----	144.19
500-600 lbs	131.00	161.00	150.33	----	135.00
600-700 lbs	122.50	155.00	139.75	----	129.59
<b>Heifers: Small Frame #1-2</b>					
300-400 lbs	124.00	165.00	140.82	----	131.30
400-500 lbs	116.00	151.00	135.12	----	122.23
500-600 lbs	131.00	161.00	150.33	----	115.66
600-700 lbs	122.50	155.00	139.75	----	117.17
<b>Heifers: Medium/Large Frame #3</b>					
300-400 lbs	135.00	170.00	155.18	----	133.47
400-500 lbs	124.00	159.00	143.60	----	130.00
500-600 lbs	120.00	145.00	133.82	----	122.33
600-700 lbs	120.00	137.00	127.24	----	113.95

Cattle Receipts (# sales): This week: 4,708 (11)      Week ago: 0 (0)      Year ago: 10,500 (12)

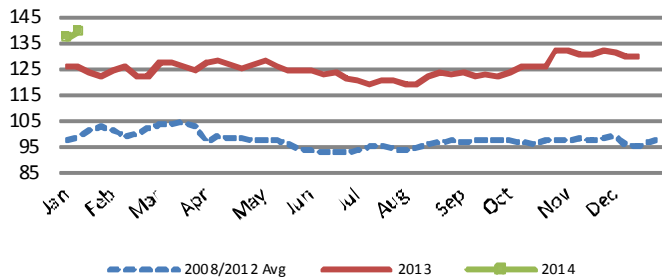
**Tennessee 500-600 lbs. M-1 Steer Prices  
2013, 2014 and 5-year average**



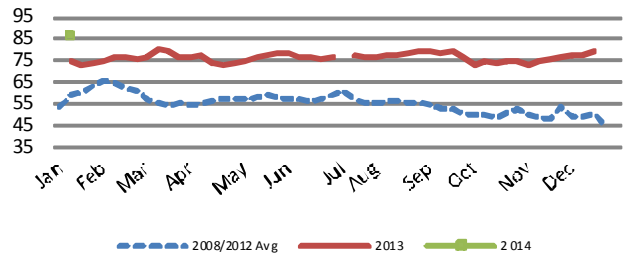
**Tennessee 700-800 lbs. M-1 Steer Prices  
2013, 2014 and 5-year average**



**5-Area Finished Cattle Prices  
2013, 2014 and 5-year average**



**Tennessee Slaughter Cow Prices  
Breakers 75-80%  
2013, 2014 and 5-year average**



**Prices Paid to Farmers by Elevators**

Friday, January 3, 2014 — Thursday, January 9, 2014

	Friday		Monday		Tuesday		Wednesday		Thursday		Thursday Harvest	
	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High
----- \$/bushel -----												
<b>No. 2 Yellow Soybeans</b>												
Memphis	13.43-13.62		13.45-13.48		13.47-13.49		13.51-13.51		13.56-13.58		---	
N.W. B.P.	---		13.42-13.45		13.44-13.49		13.37-13.51		13.42-13.57		11.17-11.21	
N.W. TN	---		13.04-13.06		13.06-13.06		12.99-13.01		13.01-13.06		10.71-10.89	
Upper Md.	---		13.26-13.37		13.24-13.36		13.19-13.29		13.23-13.34		10.91-11.01	
Lower Md.	---		12.67-12.87		12.66-12.86		12.59-12.79		12.64-12.84		10.71-10.71	
<b>Yellow Corn</b>												
Memphis	4.55-4.55		4.59-4.60		4.57-4.57		4.45-4.48		4.38-4.40		---	
N.W. B.P.	---		4.53-4.59		4.51-4.57		4.42-4.48		4.35-4.38		4.16-4.25	
N.W. TN	---		4.24-4.35		4.22-4.33		4.13-4.24		4.17-4.19		4.03-4.41	
Upper Md.	---		4.22-4.36		4.21-4.35		4.12-4.26		4.07-4.15		4.06-4.09	
Lower Md.	---		4.38-4.43		4.36-4.41		4.27-4.32		4.22-4.27		4.21-4.21	
<b>Wheat</b>												
Memphis	6.51-6.62		6.51-6.64		6.48-6.61		6.34-6.47		6.29-6.33		---	



## Video Sales

### EAST TENNESSEE LIVESTOCK CENTER - Jan. 8, 2014

1 load out of 75 steers; BQA certified producer; est. wt. 750 lbs., range 700-800 lbs.; \$0.04 slide starting at 751 lbs.; 95% L&M-1s, 5% L&M-2s; medium flesh; 80% black/BWF, 20% Chax/Smoky; Feed: on pasture plus hay receiving 10 lbs/hd/day of 14% growing ration; vaccinated; wormed; implanted; gathered early a.m., hauled 20 miles, weighed on grounds after sort; 1% shrink **\$162.50**

1 load out of 100 heifers; BQA certified producer; est. wt. 745 lbs., range 675-780 lbs.; \$0.04 slide starting at 731 lbs.; 95% M-1s, 5% M-2s; medium flesh; 80% black/BWF, 20% Chax/Smoky; Feed: on pasture receiving corn silage/corn gluten based ration; vaccinated twice; wormed; gathered early a.m., hauled 8 miles, weighed on grounds after sort; 2% shrink **\$153.00**

1 load out of 125 Holstein steers; BQA certified producer; est. wt. 775 lbs., range 725-825 lbs.; \$0.04 slide starting at 776 lbs.; 100% 1s; medium flesh; Feed: on pasture plus hay receiving corn gluten/cottonseed hull/crushed corn mix; vaccinated twice; wormed; no implants; gathered early a.m., hauled 25 miles, weighed on grounds after sort; 1% shrink **\$113.00**

1 load out of 70 Holstein steers; BQA certified producer; est. wt. 820 lbs., range 750-870 lbs.; \$0.04 slide starting at 821 lbs.; 95% 1s, 5% 2s; medium flesh; Feed: on pasture plus receiving silage daily; double-vaccinated; implanted; gathered early a.m., hauled 8 miles, weighed on grounds after sort; 2% shrink **\$113.00**

1 load out of 100 Holstein steers; BQA certified producer; est. wt. 850 lbs., range 800-900 lbs.; \$0.04 slide starting at 851 lbs.; 100% 1s; medium flesh; Feed: on pasture plus hay receiving 10 lbs/hd/day of 12% commodity mix; double-vaccinated; wormed twice; no implants; weighed on grounds at farm on certified scales; 2% shrink **\$113.25**

### ATHENS STOCKYARD - Jan. 7, 2014

2 loads (122 head) of steers; est. wt. 825; **\$159.25-161.50**

### HARDIN COUNTY LIVESTOCK - Savannah, TN - Jan. 8, 2014

80 steers; est. wt. 775 lbs.; **\$162.50**

85 steers; est. wt. 870 lbs.; **\$156.00**

## Video Board Sales and Graded Sales

### 01/09/14 Hodge Video Sale

30 Loads

Next video sale February 6th, 2014

Reporting TN loads

Steers

6 WEIGHT

LOT 25 1 LOAD 665 LBS TN \$160.00

8 WEIGHT

LOT 1 1 LOAD 875 LBS TN \$161.75

LOT 20 1 LOAD 830 LBS TN \$159.00

LOT 24 1 LOAD 850 LBS TN \$150.00

LOT 29 1 LOAD 875 LBS TN \$148.25

Heifers

6 WEIGHT

LOT 26A 1 LOAD 635 LBS TN \$152.25

7 WEIGHT

LOT 21 1 LOAD 725 LBS TN \$153.75

LOT 26 1 LOAD 700 LBS TN \$146.50

8 WEIGHT

LOT 30 1 LOAD 800 LBS TN \$147.40

### 01/08/14 Warren County Livestock

Receipts: 608 (Prices for Blk, BWF, CharX)

Steers: Med & Lg 1

350-400 lbs 190.00-196.00

400-450 lbs 195.50-197.50

450-500 lbs 189.50-196.00

500-550 lbs 187.50-191.50

550-600 lbs 172.00-189.00

600-700 lbs 162.50-169.90

700-850 lbs 156.50-162.10

850 lbs and over 120.00-130.00

Heifers: Med & Lg 1

350-400 lbs 165.00

400-450 lbs 171.00

450-500 lbs 160.00-162.50

500-550 lbs 149.50-157.50

550-600 lbs 145.00-150.00

600-700 lbs 138.25-142.25

700-850 lbs 139.50-146.50

850 lbs & over 134.00

Steers: Med & Lg 2

350-400 lbs 184.00

400-450 lbs 176.00-181.00

450-500 lbs 156.00-160.00

500-600 lbs 149.00-163.00

600-700 lbs 139.00-144.00

700-850 lbs 149.50-151.00

Heifers: Med & Lg 2

350-400 lbs 146.00

400-450 lbs 129.00-163.00

450-500 lbs 145.00-162.00

500-600 lbs 146.00-147.50

600-700 lbs 131.50-145.00

700-850 lbs 134.00-137.50

850 lbs & over 111.50

Bulls: Med & Lg 1-2

300-400 lbs 185.00

500-600 lbs 170.00-170.50

600-700 lbs 143.00-145.00

700-800 lbs 123.00

(Continued on page 10)

## Video Board Sales and Graded Sales *continued*

### 01/08/14 Browning Livestock Market-Lafayette, TN

Cattle Receipts: 906 Total Feeders: 813 Feeder cattle sale  
 Next sale Jan. 15, 2014

\* = Value Added = Weaned , vaccinated or both.

17	518-530	527	172.00-180.00	178.15
12	569-591	578	163.00-165.00	164.15
3	645-645	645	153.00	153.00
6	651-651	651	146.00	146.00
4	765-765	765	130.50	130.50

Feeder Steers		Medium and Large 1 - 2		
Head	Wt Range	Avg Wt	Price Range	Avg Price
4	307-307	307	210.00	210.00
13	395-395	395	206.00	206.00
31	454-467	461	191.00-197.00	194.74
13	528-536	532	175.00-184.00	179.12
33	525-540	537	176.00-188.00	178.80*
15	574-593	582	167.00-171.00	168.32
19	580-595	586	172.50	172.50*
1	635-635	635	160.00	160.00
36	643-645	644	165.50-170.25	167.48*
13	662-676	668	157.00-162.50	159.93
34	705-742	727	152.50-155.50	153.92*
60	752-789	768	154.50-156.00	155.08*
44	857-877	867	141.00-147.50	145.40*
3	907-907	907	145.50	145.50*
8	955-955	955	138.00	138.00*
		Medium and Large 3		
6	449-449	449	179.00	179.00
9	527-527	527	161.50	161.50
5	666-666	666	138.00	138.00

**1/3/14 Lower Middle TN Cattle Association Video Board Sale**  
 Columbia, TN  
 (Delivery current thru January 24, 4-6 cent slide and 2% shrink)  
 Receipts: 1,004

Steers Med & Lg 1 few 2  
 3 lds 765-790 lbs \$157.40-166.10 TN  
 5 lds 800-830 lbs \$156.60-162.90 TN  
 52 hd 850 lbs \$154.00 TN  
 3 lds 875-900 lbs \$154.40-155.00 TN

Heifers Med & Lg 1 few 2  
 45 hd 675 lbs \$150.00 TN  
 2 lds 825-840 lbs \$148.70-148.80 TN

Feeder Heifers		Medium and Large 1 - 2		
Head	Wt Range	Avg Wt	Price Range	Avg Price
3	205-245	218	151.00-180.00	169.15
10	317-317	317	180.00	180.00
17	385-388	386	173.00-178.00	176.52
20	448-448	448	168.50	168.50
6	408-408	408	172.00	172.00*
17	484-484	484	167.00	167.00
26	529-533	531	160.00-168.00	164.94
20	518-549	529	163.00-165.00	164.27*
20	570-587	585	150.00-160.50	159.01
15	576-579	577	158.50-159.00	158.77*
37	631-645	640	147.00-152.00	149.81
11	629-629	629	160.50	160.50*
5	654-654	654	145.00	145.00
32	672-673	672	149.50-151.00	150.53*
6	738-738	738	140.50	140.50*
33	771-777	773	144.50-146.00	145.36*
4	850-870	855	120.00-128.00	125.96*
4	976-976	976	114.50	114.50
		Medium and Large 3		
2	373-373	373	145.50	145.50
2	423-423	423	141.50	141.50
4	556-556	556	145.00	145.00

Feeder Bulls		Medium and Large 1 - 2		
Head	Wt Range	Avg Wt	Price Range	Avg Price
7	391-391	391	207.00	207.00
27	458-467	463	187.25-190.00	188.56

### Featured Article from [Drovers CattleNetwork](#)

#### [Bitter cold adds costs to cattle operation](#)

The extra steps producers follow to care for their cattle in frigid temperatures mean more than extra work, it also adds up in their operations budget.

Arkansas cattleman Preston Scroggin told [THV11](#) his cattle need extra feed as the temperature plunges below 32 degrees and although hay prices aren't as high as they were a year earlier, the costs add up.

Scroggin fed his 1,500 cattle 40 bales of hay during the three days of extreme cold, half the time that feed usually lasts. He said feeding costs at feedlots are also affected by the colder temperatures.

Most producers have survived the worst of the storm. The polar vortex is receding and temperatures are moving out of the negative range.

Scroggin estimates the cold streak forcing additional feeding will result in higher beef prices for consumers. [Drovers/CattleNetwork reports](#) boxed beef prices reached a new milestone on Monday with the Select cutout gaining \$4.16 per hundredweight to average \$201.38 per hundredweight and moved even higher on Tuesday. Cash cattle prices are also at record highs as many sold for \$137 per hundredweight last week.

## University of Tennessee Extension Department of Agricultural and Resource Economics

314 Morgan Hall • 2621 Morgan Circle

<http://economics.ag.utk.edu/>

<http://economics.ag.utk.edu/curmkt.html>

USDA / Tennessee Department of Agriculture Market News Service  
<http://www.tennessee.gov/agriculture/marketing/marketnews.html>

1-800-342-8206

THE UNIVERSITY of TENNESSEE 

INSTITUTE of AGRICULTURE

<b>Weighted Average Monthly Prices on Tennessee Auctions</b>													
	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>May</b>	<b>Jun</b>	<b>Jul</b>	<b>Aug</b>	<b>Sep</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>Year to Date Average</b>
<b>Fed Steers (5-Area)</b>													
2012	123.39	125.43	127.06	121.67	121.36	119.71	114.64	119.82	124.60	125.13	125.96	125.53	122.86
2013	124.75	125.06	126.74	127.54	126.08	121.23	119.99	122.99	123.93	129.07	131.47	131.78	125.89
<b>700-800 lbs. Steers</b>													
2012	131.52	141.58	144.06	122.14	137.86	135.25	120.26	124.96	126.71	125.44	126.84	129.00	130.47
2013	132.91	129.28	122.94	123.17	122.89	124.12	131.34	138.17	135.81	140.29	144.08	144.71	132.48
<b>600-700 lbs. Steers</b>													
2012	140.78	153.22	156.58	134.96	150.18	144.16	125.14	131.93	132.66	129.80	131.42	132.93	138.65
2013	140.54	138.90	132.86	133.73	130.32	130.50	136.18	145.19	141.28	146.19	149.79	153.11	139.88
<b>500-600 lbs. Steers</b>													
2012	152.87	169.96	173.78	151.02	163.12	154.26	132.38	140.34	140.11	138.47	139.17	142.68	149.85
2013	152.54	151.99	147.17	143.97	137.95	137.28	143.50	154.43	149.54	154.06	159.19	159.97	149.30
<b>400-500 lbs. Steers</b>													
2012	168.12	186.61	186.80	162.55	180.81	166.08	140.71	149.90	151.85	149.61	154.01	155.81	162.74
2013	166.68	168.79	161.28	155.56	147.67	145.26	150.87	167.55	161.88	168.06	173.47	178.13	162.10
<b>300-400 lbs. Steers</b>													
2012	183.86	200.90	200.32	178.23	196.54	177.70	151.63	168.67	171.62	166.43	168.46	167.49	177.65
2013	180.96	185.76	174.23	166.36	157.50	156.45	166.32	186.61	173.95	182.92	193.32	194.10	176.54
<b>Utility Cows - Breakers 75-80%</b>													
2012	70.85	80.61	81.72	84.55	85.75	82.62	75.29	78.54	75.17	72.14	71.43	72.26	77.58
2013	74.11	76.63	78.42	74.23	77.36	76.63	77.13	78.72	75.95	74.36	75.88	78.00	76.45

Source: USDA/Tennessee Department of Agriculture Market News Service