Livestock & Grain Market News

Federal-State Market News, 2301 S. University Ave.
Little Rock, AR  72204, (501) 671-2200

February 22, 2016

REPLACEMENT COWS

This Week  Last Week  Year Ago
Open/short-bred 95.00-105.00  91.00-101.00 NA- NA
Third Stage 135.00-145.00  147.00-157.00 167.00-177.00
PAIRS
Small calves 1575.00-1675.00 1675.00-1775.00 2250.00-2350.00
Large calves 1950.00-2050.00 1825.00-1925.00  NA- NA
SLAUGHTER COWS

Bone-in 72.00-78.00  71.00-77.00  NA- NA
Lean 68.00-74.00  67.00-73.00  97.00-107.00

SLAUGHTER BULLS

1000-2100 lbs. 90.00-100.00  88.00-98.00  118.00-128.00

CASH MARKETS

MON TUE WED THU FRI Year
02/15/16-02/19/16 15 16 17 18 19 19

5 Area Wkly Accumulated, Negotiated, Dir Sltr Cattle Wtd Avg

STEERS, BEEF BREEDS

Live Basis H NA NA NA 130.00 159.99
Dressed Basis O NA NA NA 209.63 256.36

HEIFERS, BEEF BREEDS

Live Basis L NA NA NA 128.00 128.00 128.00 159.88
Dressed Basis D NA NA NA 206.00 206.00 256.52

BOXED BEEF CUT-OUTS

Choice 600-900 lbs Y 214.49 214.35 213.39 211.66 240.31
Select 600-900 lbs 209.07 207.63 207.29 208.15 237.79
CUTTER COW CUTOUT

167.67 167.61 167.63 167.59 227.17

CATTLE KILL (.000)

104 100 107 99 103

HIDE & OFFAL VALUE

Per cwt Live 10.40 10.48 10.63 10.68 14.13

MARKET SITUATION AND OUTLOOK:

According to David P. Anderson, Professor and Extension Economist, Texas A&M AgriLife Extension Service: By-Products Continue to Drift Lower. Steer by-product values continue to drift lower in 2016. Last week’s by-product values averaged $10.40 per cwt live. That was down $4.20 from a year ago and down from $10.54 during the first week of 2015. Last week’s $10.40 was the lowest value since April 2010, when by-products averaged $10.24. In terms of value of the live fed steer, a 1,300 pound steer would have an implied by-product value of $135.33 per head, down $54.60 per head from a year ago. An over $50 per head decline in value is a significant amount of money in today’s cattle market.

Market analysts don’t often talk about by-products because they are of much less importance than the cattle price, yet the large decline in value over the past year is an important contributor to cattle value. A large portion of by-products are exported, whether their hides to Asian countries for further processing into finished products or livers to Egypt. An economic slowdown in Asia and other countries and a rapidly increasing value of the dollar contributes to the decline.

The value of the dollar has increased from 9 percent to 40 percent over the last 2 years across a number of livestock and meat important trading partners. The U.S. dollar is up 26 and 27 percent versus Australia and New Zealand currencies since January 2014, respectively. The dollar strength has encouraged beef and lamb imports. In our North American market, the dollar is up 32 percent versus Canadian dollar and 40 percent versus the peso.

It is important to remember that the exchange rate is not the only factor in trade. Exchange rate moves are translated into price changes for the goods traded. Other events like drought and economic slowdowns can trigger indirect effects changing trade levels.

This week is the Southern Agricultural Economics Association annual meeting where researchers and graduate students across the South present the results of their recent research. The meeting coincides with researchers from other disciplines such as animal science. Several paper topics caught my eye including research on valuing characteristics of bred cows, impacts of brahma breed on South Texas calf markets, and economic factors.

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Compared to last week: Nannies steady in light test; kids firm.

Slaughter Classes:
- Kids: Selection 1-2 40-60 lbs 270.00-292.00, few 294.00-300.00; 60-80 lbs 262.00-280.00, few 298.00-306.00.
- Selection 1-2 40-60 lbs 240.00-272.00, few 262.00-270.00; 60-80 lbs 230.00-256.00, few 254.00-260.00.

Arkansas Daily Grain
February 19, 2016

Soybeans

<table>
<thead>
<tr>
<th></th>
<th>Cash</th>
<th>New Crop</th>
<th>Wheat</th>
<th>Sorghum</th>
<th>Corn</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jonesboro</td>
<td>8.68</td>
<td>8.64</td>
<td>---</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>Wynne</td>
<td>8.58</td>
<td>8.59</td>
<td>4.34</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>Wheatley</td>
<td>8.76</td>
<td>8.74</td>
<td>4.54</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>Pendleton</td>
<td>8.81</td>
<td>8.84</td>
<td>4.54</td>
<td>---</td>
<td>---</td>
</tr>
</tbody>
</table>

River Elevator Prices

Mississippi River
- Blytheville 8.95 8.95 4.80 --- ---
- West Memphis 8.98 8.94 4.86 --- 3.76
- Helena 8.98 8.99 4.89 --- 3.78
- Old Town/Elaine 8.98 8.89 4.89 5.99 3.76
- Osceola 8.96 8.94 4.79 --- 3.76

Arkansas/White River
- Augusta 8.50 8.49 4.17 5.24 3.30
- Pine Bluff --- 8.77 4.50 --- ---
- Des Arc 8.63 8.59 --- --- ---

Arkansas Processors
- Little Rock 8.83 8.82 4.66 6.26 3.61
- Stuttgart 8.76 8.74 4.54 --- ---

MEMPHIS DAILY GRAIN
February 19, 2016

BID PRICES TO FARMERS DELIVERED MEMPHIS

<table>
<thead>
<tr>
<th></th>
<th>This Week</th>
<th>Last Week</th>
<th>Year Ago</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S. No. 1 Yellow Soybeans (Cash)</td>
<td>8.78-8.88</td>
<td>8.73-8.93</td>
<td>10.41-10.44</td>
</tr>
<tr>
<td>U.S. No. 1 Yellow Soybeans (NC)</td>
<td>8.94</td>
<td>8.91</td>
<td>9.80-9.85</td>
</tr>
<tr>
<td>U.S. No. 2 Soft Red Wheat (Cash)</td>
<td>4.57</td>
<td>4.53</td>
<td>4.70</td>
</tr>
<tr>
<td>U.S. No. 2 Soft Red Wheat (NC)</td>
<td>4.44-4.89</td>
<td>4.38-4.83</td>
<td>5.27</td>
</tr>
<tr>
<td>U.S. No. 2 Yellow Sorghum</td>
<td>6.35</td>
<td>6.23</td>
<td>8.58</td>
</tr>
<tr>
<td>U.S. No. 2 Yellow Sorghum (NC)</td>
<td>6.37</td>
<td>6.28</td>
<td>8.24-8.33</td>
</tr>
<tr>
<td>U.S. No. 2 Yellow Corn (Cash)</td>
<td>3.61-3.77</td>
<td>3.54-3.69</td>
<td>4.10-4.15</td>
</tr>
<tr>
<td>U.S. No. 2 Yellow Corn (NC)</td>
<td>3.69</td>
<td>3.59</td>
<td>8.24-8.33</td>
</tr>
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</table>

Arkansas Millfed Rice Prices

February 19, 2016

FOB MILLS, 100 LB. BAG

<table>
<thead>
<tr>
<th></th>
<th>This Week</th>
<th>Last Week</th>
<th>Year Ago</th>
</tr>
</thead>
<tbody>
<tr>
<td>Long grain 2/4%</td>
<td>23.00-25.00</td>
<td>23.00-25.00</td>
<td>23.50-34.50</td>
</tr>
<tr>
<td>Medium grain 2/4%</td>
<td>23.00-25.00</td>
<td>23.00-25.00</td>
<td>29.25-29.50</td>
</tr>
<tr>
<td>Parboiled</td>
<td>25.00-26.50</td>
<td>25.00-26.50</td>
<td>25.50-25.75</td>
</tr>
<tr>
<td>Second heads</td>
<td>15.25-19.00</td>
<td>15.25-19.00</td>
<td>18.50-21.00</td>
</tr>
<tr>
<td>Brewers</td>
<td>14.50-16.75</td>
<td>14.50-16.75</td>
<td>17.00-19.00</td>
</tr>
</tbody>
</table>

Arkansas Hay Market Report
February 18, 2016

Hay movement light in very limited trading. Demand mostly light for dairy alfalfa, very light all other offerings. A few sellers showing interest in moving hay to make way for new crop hay later. Weather remains open and much warmer than normal. This coupled with high winds have increased wildfire activity. While topsoil conditions are very dry, much of central and western Oklahoma have adequate subsoil moisture.

Alfalfa
- Central Oklahoma: Prices steady in light test. Supreme quality large square bales no recent sales confirmed. Premium quality large square bales 130.00-150.00. Good quality dry cow or bunk hay 90.00-115.00. Good alfalfa round bales 70.00-90.00.
- Eastern Oklahoma: Premium quality large square bales 135.00-150.00. Round bales Good quality 70.00-100.00. Small square bales horse quality alfalfa 320.00-350.00 per ton.

Western Oklahoma: Prices steady except dry cow hay 10.00-20.00 lower. Supreme quality large square bales not tested. Premium quality large square bales 120.00-150.00, mostly 125.00-130.00. Bunk or dry cow hay 80.00-100.00.

Grass Hay
- Central Oklahoma: Prairie hay 4 X 5 bales 25.00-35.00 per bale. Good Bermuda 35.00-50.00 per bale in 4 X 5 and 4 X 5 1/2 bales. Good 5 X 6 bales 50.00-65.00 per bale. Good bluestem in round bales 70.00 per ton. Bermuda in small square bales 6.00-8.00.

Western Oklahoma: Good Bermuda 60.00-65.00 per bale in 5 X 6 bales. 4 X 5 bales 35.00-50.00 per bale.

Eastern Oklahoma: Mixed grass in 4 X 5 bales 25.00-35.00 per bale. Bermuda in 5 X 6 bales 50.00-65.00 per bale.