



Sterling Beef Profit Tracker

"Monitoring Free Market Beef Industry Profits"

Sterling Marketing, Inc.

	Week Ending January 10, 2020	Week Ago	Month Ago	Year Ago
Feedlot Margin (\$ / head)	\$146.00	\$151.82	\$68.34	\$104.65
Choice Steers (5-Area Direct, \$ / cwt)	124.92	124.27	119.21	123.83
Feeder Steer (Ok City 750-800 lb, \$ / cwt)				
For this Week's Feedlot Placement	148.16	151.35	149.44	149.00
Against this Week's Marketing	142.26	139.12	139.55	148.43
Feed Cost (\$ / head)				
For this Week's Feedlot Placement	289.79	287.15	283.74	291.34
Against this Week's Marketing	304.53	313.83	324.85	282.96
Total Cost (\$ / head)				
For this Week's Feedlot Placement	1,583.01	1,605.95	1,587.15	1,594.93
Against this Week's Marketing	1,552.91	1,538.25	1,552.91	1,579.44
Calculated Breakeven Price (\$ / cwt)				
For this Week's Feedlot Placement	116.40	118.08	116.70	117.27
Against this Week's Marketing	114.18	113.11	114.18	116.14
Lowest packer margin since week ending Feb. 24, 2018				
Packer Margin (\$ / head)	\$25.56	\$35.71	\$174.68	\$71.67
Choice Steers (5-Area Direct, \$ cwt) ⁴	124.92	124.27	119.21	123.83
Beef Cutout ¹ (\$ / cwt)	209.32	208.20	216.90	212.76
Drop Credit ² (\$/hd)	132.58	132.09	137.54	132.85
Relative Feeding Cost (against current <u>Placement</u> week)				
Feeder Steer	72.54%	73.04%	72.97%	72.40%
Feed	18.66%	18.67%	18.27%	18.45%
Relative Feeding Cost (against current <u>Marketing</u> week)				
Feeder Steer	71.00%	70.09%	69.64%	72.83%
January 12, 2020				
	2020*	2019	2018	2017
Cow-Calf Margin ³ (\$ / cow)	\$142.00	\$114.00	\$162.43	\$164.06
Estimated annual revenue - annual variable costs				
Feedlot Margin (\$ / head)	\$112.50	\$39.50	\$24.04	\$181.33
Packer Margin (\$ / head)	\$200.50	\$216.50	\$169.48	\$97.08

¹ Adjusted for percentage Choice and Select.

² Per head value adjusted for yield.

³ Based on Sterling Marketing revenue and cost of production projections.

⁴ Packer's cattle cost is a mix of cattle purchased prior week and current week.



"The Sterling Difference"

Economic Research & Advisory Services to the Livestock & Meat Industry

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