



Quality TimeTM

Quality news and features for farm broadcasters from Certified Angus Beef LLC
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Vol. 3, No. 13

December 24, 2008

Beef prices forecasted to increase

30-second story

Retail beef prices will continue to rise.

Mike Sands of Informa Economics told producers at last month's Feeding Quality Forums that reduced fed-cattle numbers will keep upward pressure on prices. At the same time, the hog and chicken industries are cutting back.

Actuality, Sands: 8: "The trade-offs at the retail levels between beef and pork, and beef and chicken aren't going to be nearly as attractive as they have been in the past."

(LINK: http://www.cabpartners.com/news/radio/sands_fqf_qt3_13_1.mp3)

Q: ...in the past."

But beef has set a higher standard with increased quality grade this year, he said.

60-second story

Retail beef prices will continue to rise.

Mike Sands of Informa Economics told producers that, at last month's Feeding Quality Forums. Reduced fed-cattle numbers will keep upward pressure on prices, and the nation's hog and chicken numbers are shrinking, too.

Actuality, Sands: 19: "And it's a little unusual. In fact I'm not sure that it's ever happened that we've cut back all major species at the same time. The trade-offs at the retail levels between beef and pork, and beef and chicken aren't going to be nearly as attractive as they have been in the past."

(LINK: http://www.cabpartners.com/news/radio/sands_fqf_qt3_13_2.mp3)

Q: ...in the past."

But beef has set a higher standard with increased quality grade this year, he said.

Actuality, Sands:12: "Now the industry, in my opinion, has gotten accustomed to a fairly high level—relative to history—of quality. I don't think they're going to be ready to compromise on that."

(LINK: http://www.cabpartners.com/news/radio/sands_fqf_qt3_13_3.mp3)

Q:...compromise on that."

The company's chief economist said, historically recessions haven't driven beef demand down.

266-word story

Retail beef prices will continue to rise.

Mike Sands of Informa Economics told producers at last month's Feeding Quality Forums that reduced fed-cattle numbers will keep upward pressure on prices.

Cow slaughter was at 20% this summer, indicating around 700,000 breeding females taken out of the mix. In response to higher feed prices, the nation's hog and chicken numbers are shrinking, too.

Actuality, Sands: 19: "And it's a little unusual. In fact I'm not sure that it's ever happened that we've cut back all major species at the same time. The trade-offs at the retail levels between beef and pork, and beef and chicken aren't going to be nearly as attractive as they have been in the past."

(LINK: http://www.cabpartners.com/news/radio/sands_fqf_qt3_13_2.mp3)

Q: ...in the past."

Beef will still be a favorite, Sands said, and it has set a higher standard with increased quality grade this year.

Actuality, Sands:18: "Now the industry, in my opinion, has gotten accustomed to a fairly high level—relative to history—of quality. I don't think they're going to be ready to compromise on that. So the tendency is going to be to want to see that grading increase."

(LINK: http://www.cabpartners.com/news/radio/sands_fqf_qt3_13_4.mp3)

Q:...that grading increase."

The company's chief economist said, historically recessions haven't driven beef demand down. Currently, consumption is at levels similar to the turn of the millennium, even though wholesale beef prices are up \$35 per hundredweight. Beef purchases will dip over the next few years, but that is related to reduction in total pounds produced, he said. Demand is a longer-term issue.

The Feeding Quality Forums were sponsored by Pfizer Animal Health Inc., Certified Angus Beef LLC, *Feedlot* magazine and Land O' Lakes Purina Feeds.

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