



TCFA MARKET REPORT



February 4, 2011

AVERAGE PRICE

	Steers	Heifers
This Week*	\$107.00	\$107.00
Last Week**	\$104.98	\$104.94
Net Change + \$	2.02	2.06

SALES

	This Week*			Last Week**		
	Steers	Heifers	Total	Steers	Heifers	Total
Cash	12,134	6,803	18,937	14,370	7,721	22,091
Formula	42,204	11,835	54,039	40,116	15,500	55,616
Total	54,338	18,638	72,976	54,486	23,221	77,707
Year Ago	Steers 52,514	Heifers 20,916	Total 73,430	* Preliminary **Final		

Just how out of touch is our government on food policy? The January 2010 WASDE report projected corn carryover at 1.764 billion bu. The January 2011 WASDE report is now projecting 2011 carryover just fractionally above pipeline at 745 million bu. Over that one-year time span, EPA has made two announcements granting waivers to increase the ethanol blend to E15 (a 50% increase in the blending rate) as well as releasing a flurry of new environmental regulations. In addition, last December Congress approved and the President signed a one-year extension to the ethanol blenders credit and the ethanol import tariff. Corn prices are up 85% over a year ago, wheat prices have doubled and fed cattle prices are up 23%. Currently, there are riots in a host of North African countries because of runaway food prices. The USDA is projecting domestic food prices will only be up 2.5% to 3% over the coming year. And now to top it all off, on Jan. 28 USDA announced it wants to increase CRP acres by 4 million acres. What in the world are they thinking?

TCFA Area Sales

Steers	8,502	1150-1200	Lbs.	55-65%	Choice	107.00
	3,359	1150-1225	Lbs.	55-65%	Choice	CTF*
	84	1150-1200	Lbs.	Grid		170.50
	189	1300-1400	Lbs.	Grid		169.00
Heifers	6,803	1100-1175	Lbs.	55-65%	Choice	107.00

*Convert to Formula

TCFA LIVE CATTLE BASIS (CASH MINUS FUTURES)	LIVE	02/04/11	Wkly Chg	01/28/11	02/05/10	5-Yr Avg
	Spot	-1.25	1.27	-2.52	-0.42	-0.69
Feb 11	-1.25	1.27	-2.52	-0.42	-0.69	
Apr 11	-6.03	1.76	-7.79	-3.40	-2.78	
Jun 11	-6.63	1.76	-8.39	-1.10	-0.07	
Aug 11	-7.30	1.62	-8.92	-0.35	0.26	
Oct 11	-10.40	1.29	-11.69	-2.85	-1.70	
Dec 11	-10.65	1.72	-12.37	-3.77	-4.44	

TCFA FEEDER CATTLE BASIS (CASH MINUS FUTURES)	FEEDER	01/28/11	Wkly Chg	01/21/11	01/29/10	5-Yr Avg
	Spot	-5.82	-6.19	0.37	-3.17	-0.08
Mar 11	-5.82	-6.99	1.17	-3.17	-2.05	
Apr 11	-6.87	-7.24	0.37	-5.25	-4.48	
May 11	-7.15	-6.97	-0.18	-6.10	-5.61	
Aug 11	-8.10	-7.32	-0.78	-7.15	-6.73	
Sep 11	-8.20	-7.62	-0.58	-7.05	-6.32	
Oct 11	-8.12	-7.54	-0.58	-6.80	-4.18	
Nov 11	-7.75	-7.37	-0.38	-6.40	-5.63	

CARCASS CUTOUT

Date	Ch. 1-3 600-900	Se. 1-3 600-900	Fab Loads	Trmgs Loads	Total Loads
Thurs. 02/03	172.09	170.80	161	74	235
Wed. 02/02	172.73	171.68	188	76	264
Tues. 02/01	172.93	171.21	151	37	188
Mon. 01/31	173.07	170.89	106	41	147
Fri. 01/28	172.85	170.75	155	52	207

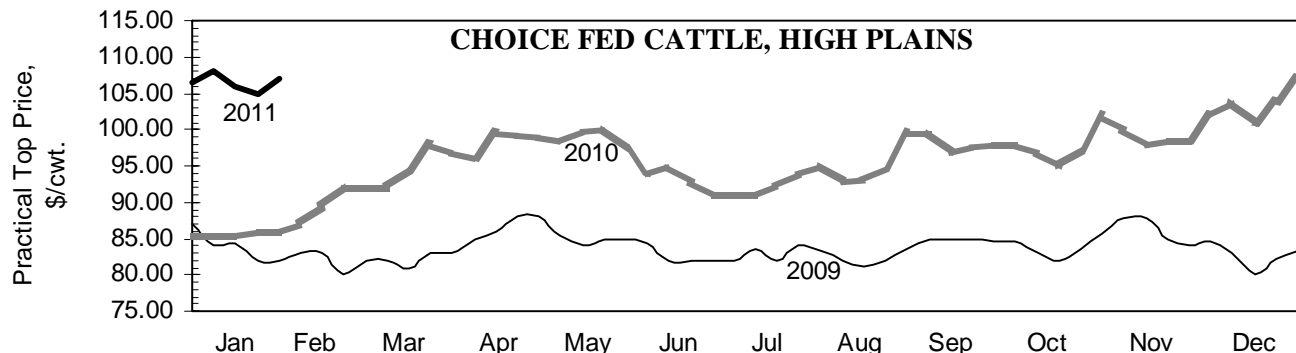
GRAIN SALES

North Plains	Price	Basis
Corn	\$12.08 - 12.19	+14¢ to +20¢
Milo	\$11.53 - 11.58	-17¢ to -14¢

South Plains	Price	Basis
Corn	\$12.47 - 12.65	+36¢ to +46¢
Milo	\$11.74 - 11.83	-05¢ to 0¢

U.S. Exports	Sales	Shipments
	Million Bushels	
Corn	45.9	18.7
Milo	6.0	1.3

Cash prices per cwt. f.o.b. elevator:
Basis - CBOT March Futures,
Thursday close



MEAT PRODUCTION

Slaughter (head)			Production (million lbs.)			Total F.I. Meat Production for the week ending February 05, 2011, is 4.8% below last week and 1.4% below a year ago.		
	02/05/11	01/29/11	02/06/10		02/05/11	01/29/11	02/06/10	
Cattle	624,000	650,000	641,000	Beef	486.8	508.6	495.9	
Hogs	2,058,000	2,179,000	2,146,000	Total Meat	921.9	968.3	934.9	

Average Weights			Year Ago			Average live weight of cattle slaughtered in Panhandle area plants last week was 1261 lbs. (43% heifers), compared with the previous week of 1269 lbs. (40% heifers), and a year ago of 1251 lbs. (43% heifers).		
	This Week		Last Week		Year Ago			
	02/05/11		01/29/11		02/06/10			
	Live	Dressed	Live	Dressed	Live	Dressed		
Cattle	1307	783	1309	786	1292	776		
Hogs	279	209	278	209	270	202		

Live Carcass – Retail Prices			Estimated Hide and Offal Value from an average 1,000-lb. slaughter steer this week was \$12.86 per cwt. live weight, compared to \$12.83 last week and \$9.57 last year.		
	This Week	Last Week	Month Ago	Year Ago	
	02/04/11	01/28/11	01/07/11	02/05/10	
Live, \$/cwt.	107.00	104.98	106.34	87.08	
Carcass Price Index	156.63	157.70	155.39	127.06	
Retail, \$/lb.	3.77	3.98	3.99	3.46	

FUTURES

Live Cattle	February			April			June			August		
	High	Low	Close	High	Low	Close	High	Low	Close	High	Low	Close
Mon.	109.50	107.60	108.95	115.20	112.85	114.05	115.50	113.60	114.55	115.50	114.20	114.85
Tues.	109.25	108.18	109.00	114.83	113.55	114.65	114.88	113.90	114.53	115.25	114.35	115.05
Wed.	109.98	107.15	107.75	115.85	112.25	113.53	115.60	112.40	114.20	115.98	113.03	114.50
Thurs.	108.28	107.13	108.20	113.55	112.30	113.20	114.13	113.18	114.03	114.65	113.73	114.55
Fri.	108.45	107.80	108.25	113.35	112.70	113.03	114.00	113.40	113.63	114.53	114.00	114.30
Weekly	109.98	107.13	108.25	115.85	112.25	113.03	115.60	112.40	113.63	115.98	113.03	114.30

Feeder Cattle	March			April			May			August		
	High	Low	Close	High	Low	Close	High	Low	Close	High	Low	Close
Mon.	128.58	126.60	128.00	129.38	127.60	129.08	129.78	128.08	129.58	130.25	128.85	129.98
Tues.	128.13	127.05	127.48	129.25	128.43	128.90	129.60	128.73	129.40	129.95	129.25	129.90
Wed.	128.35	124.65	125.80	129.55	125.90	127.45	129.95	126.40	127.80	130.40	126.90	128.80
Thurs.	126.00	124.60	125.50	127.40	126.03	127.30	128.00	126.65	127.83	129.00	127.35	128.93
Fri.	125.60	124.83	125.00	127.13	126.33	126.73	127.88	127.20	127.35	128.90	128.43	128.45
Weekly	128.58	124.60	125.00	129.55	125.90	126.73	129.95	126.40	127.35	130.40	126.90	128.45

AUCTION REPORT

	Amarillo	Okla. City	San Angelo	Tulia	Amarillo
Volume--	582	9,405	257	4,424	Light supply of cattle this week due to inclement weather, no price comparison, but a higher undertone noted.
Feeder Steers					Oklahoma City
Med. 1 3/4	146.00	162.00-167.00	-----	150.00-154.00	Feeder steers \$2 - \$4 lower.
4/5	139.00-145.00	135.00-158.00	-----	132.00-146.00	Feeder steers under 700 lbs. and steer calves \$4 - \$8 lower. Feeder heifers steady to \$2 lower, heifer calves \$2 - \$4 lower.
5/6	137.00-141.50	128.00-144.00	-----	130.75-143.00	
6/7	120.00-132.50	119.00-137.75	-----	128.00-132.85	
7/8	-----	119.00-126.00	-----	125.00-128.50	
Med. 1 & 2 3/4	138.00-146.00	155.00-159.00	-----	135.00	
4/5	144.00	135.00-144.00	136.00	132.00-139.00	
5/6	-----	120.00-142.00	121.00-126.00	127.00-135.00	
Feeder Heifers:					San Angelo
Med. 1 3/4	-----	135.00-140.00	-----	119.00-120.00	Not enough of any class of cattle for a market trend.
4/5	119.50-124.00	115.00-130.75	124.00-126.50	116.00-131.00	
5/6	110.00	115.00-130.50	-----	115.00-123.50	
6/7	-----	114.00-124.50	-----	113.50-119.50	
7/8	-----	107.75-117.00	-----	114.75-118.50	
Med. 1 & 2 3/4	-----	121.00-136.00	-----	109.00-120.00	Tulia
4/5	112.50-115.00	120.00-132.50	113.50-115.00	110.00-119.00	Feeder cattle steady to weak compared to last week.