



Industry News - AM **Beef trimmings prices hit all-time high**

By Michael Fielding on 11/8/2011

Between strong retail and foodservice demand for ground beef and cutbacks in fed cattle slaughter have pushed the price of fat beef trimmings over \$120 per hundredweight.

This according to the latest Daily Livestock Report from the CME Group, which reported Monday that 50-percent trimmings are up nearly 45 percent year-on-year and 90-percent trimmings are up more than 20 percent.

"Consumers may have shifted toward less expensive beef items, such as ground beef, but prices in that complex have escalated, in part due to the absence of imported beef but also tight supplies of market-ready cattle," wrote economists Steve Meyer and Len Steiner in the report.

Cattle prices in 2012 are projected to increase another 10 percent over 2011 while cattle numbers are expected to decline further as well. At 32.4 million head, cattle numbers are expected to be down 4.2 percent compared to 2011.