

Beef prices uncertain as effects of drought play out

While U.S. Department of Agriculture projections have the price of beef climbing 4% to 5% next year due to this year's extensive drought, meat distributors say it is just as likely that prices will stay the same or exceed projections because of the many unpredictable factors involved. Consumers may turn to pork and chicken as prices climb, keeping beef essentially flat, and restaurants may seek menu alternatives to beef to keep costs lower. Cattle herd sizes are down by 2% to 2.5% as feed costs have forced farmers to reduce.