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News from your CEO

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Welcome



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April began on Wednesday of “Holy Week” leading up to Easter Sunday and the ending of Lent. Historically, April cattle futures are the highest for Spring as the grilling season kicks off on Memorial Day. This year so far nothing is normal. Here in Louisiana our row crop farmers usually start planting corn in March. This year, because of dry conditions corn planting was mostly done by March 1 and then in Mid-March we had 3 days of temperatures in the 20’s and many fields had to be replanted.

The “fat” cattle market in late February early March got to \$249.00 cwt. and by the beginning of April it was in the mid \$230.00 cwt. (\$235.00-\$236.00). To round out the doomsday events in the first quarter of 2026, January, February, March, we lost 3 influential cattle people, Tommy Montgomery, John Berry and Dottie Knost. Tommy (a CPL member) helped many cattlemen in his area stay in business by providing information. John was a major factor at LCA meetings

providing guidance and wisdom to cattlemen. Dottie sold Gelbvieh purebred Bulls and Females to area producers to reduce the Brahman influence in their herds and added muscle to their calf crop. They will all be missed; however, their input will live on.

CPL, Region 5 had an information meeting March 5 at John Thompson’s Barndominium. We had a big crowd (over 60), signed up 5 new members and had a very informative speaker, Galen Iverstine, owner of Iverstine Butcher and Restaurant in Baton Rouge.

Superior Video Gulf Coast Classic will be April 16-17 in Natchitoches, LA. This is a great sale which feature Louisiana and Florida calves for current and June-August delivery. A great opportunity to see the market prices when most of our Louisiana cattle sell. Enjoy the month of April! Our Northern friends have a saying; April showers bring May flowers. We need those showers!

Dave Foster, CEO

GRILLING SEASON 2026: WILL RECORD BEEF PRICES COOL SUMMER DEMAND?

As the Choice beef cutout nears the \$400 mark, analysts eye supply chain disruptions and shifting consumer habits.

By: Angie Stump Denton

The cattle industry is closely watching availability as we transition into the spring and summer months.

In a recent issue of “In the Cattle Markets,” Bernt Nelson, American Farm Bureau Federation economist, discussed cattle availability and where market conditions could be headed as the industry moves into spring and eventually the summer grilling season when seasonal demand for beef typically peaks.

As of March 1, 2026, the total number of cattle on feed is estimated at 11.55 million head. While this is up slightly from last month and down slightly from the same time period as last year, specific trends in placements and marketings suggest a shift in the supply chain:

- Placements: 1.61 million head (up 4% from 2025).
- Marketings: 1.52 million head (down 7% from 2025).
- The Trend: Placements have outpaced marketings in five of the last six months, indicating a growing volume of cattle being prepared for the peak summer demand.

“While marketings have been consistently lower than last year, marking fewer numbers of fed cattle available, it’s important to note that placements have outpaced marketings of cattle in five of the last six months,” he says. “This means more cattle are being placed on feed than are being marketed for beef. This should lead to more cattle being available for beef production during the next several months when grilling demand ramps up.”

Beef Demand and the “Grilling Season” Surge

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GRILLING SEASON 2026: WILL RECORD BEEF PRICES COOL SUMMER DEMAND?

Memorial Day is considered the unofficial start of grilling season, which typically brings peak seasonal demand for beef. March and April usually bring peak demand for other proteins such as ham and lamb, while beef demand slows.

"This year, demand for beef has risen over the last several weeks, pulling prices higher at a much faster pace than in past years," Nelson says. "Since January, the Choice beef cutout value has increased by \$50.14/cwt. or 13%, from \$349.97/cwt. on Jan. 2, 2026, to \$400.11/cwt. on March 20, 2026. This is 25% higher than 2025 and has many analysts questioning if the strong demand from grilling season will pull beef prices even higher this summer."

Josh Maples, associate professor of agriculture economics at Mississippi State University, says in a recent "Southern Ag Today" article, "The Select cutout has also surged and is at levels only surpassed by May 2020. The gap between the Choice and Select cutout has been narrow during the first few months of 2026, indicating there has not been much of a premium for Choice cattle over Select."

He adds boxed beef values tend to build gradually through the first quarter before accelerating in the spring and reaching a seasonal peak ahead of summer grilling season.

"In 2026, the cutout has surged earlier in the year as cyclical market fundamentals are outweighing typical seasonality," he explains. "Cattle supplies and beef supplies are tight. When supplies are tight, wholesale prices tend to respond quickly. Additionally, buyers may be pulling some purchases forward due to expectations of tight supplies and even higher prices later this spring."

Increases in the rib and loin primal values since the start of the year are key contributors to the overall cutout value increase.

Maples explains in 2025, the Rib value ran up sharply from March to April, while the Loin value increased from March to June. This year, both primal values have been on a strong uptrend since mid-January.

"For producers, strong early-year boxed beef prices are supportive of fed cattle markets," he summarizes. "Strong demand and tight supplies are supporting beef values in 2026."

Economic Headwinds: Recession Risks

While cattle supplies are slow to rebuild, consumer demand can shift rapidly.

"Cattle supplies will take years to rebuild, but demand can change more quickly," Nelson says. "Events such as a recession could be a threat to the strong demand that has supported beef prices over the last couple of years. Continued strong demand is key to maintaining a strong cattle market in the months to come. If demand begins to fall for any reason, especially during grilling season, beef prices will also begin to fall along with the cutout value. When the cutout falls, the packer has to buy cattle at a lower price, which leads to lower prices at the farm gate."

As we move toward the summer months, the balance between tight cattle supplies and consumer willingness to pay record prices will define the profitability of the 2026 grilling season.

BEEF DEMAND JUMPED IN 2025 WHAT ABOUT 2026?

Retail beef prices holding strong and approaching \$10/lb. will test the strength of domestic beef demand.

By: Tyler Cozzens, Director, Livestock Marketing Information Center

Domestic beef demand remains strong in the U.S., according to the retail all-fresh beef demand index calculated by the Livestock Marketing Information Center (LMIC). Annual data for 2025 revealed a jump in the retail all-fresh beef demand index to 138, which was a 10-point increase from 2024 (see Chart). Based on the beef demand index calculations, over the last 25 years, a 10-point jump in the beef demand index has only occurred two other times. From 2003 to 2004, the beef demand index increased from 103 to 113. Then, from 2019 to 2020, the beef demand index jumped from 108 to 118.

The beef demand index hitting 118 in 2020 was the highest level at that time for the evaluated period. One factor driving the jump in 2020 was consumers cooking more at home, which continued into 2021 and was a contributing factor to the demand index hitting 126. As inflationary pressures mounted in 2022 and 2023, the beef demand index turned lower, falling to 123 in 2022 and 120 in 2023. Once inflationary pressures waned, the beef demand index posted a rebound in 2024 to 128, with beef demand expanding further in 2025 to 138. From 2019 to 2025, the beef demand index increased 30 points (+27%), from 108 to 138, which highlights the strong domestic beef demand.

The LMIC examines several components when calculating the retail all-fresh beef demand index. One component underlying the beef demand index is per capita beef consumption, which is calculated by dividing total beef disappearance by population. Total beef disappearance is calculated as total beef supplies minus beef exports and beef ending stocks. Total beef supplies are a function of domestic commercial beef production plus beef imports and beginning beef stocks.

Domestic commercial beef production and beef imports are the driving factors underlying per capita consumption and the beef demand index. In 2025, domestic commercial beef production was reported at 26 billion pounds, down 984 million pounds (-4%) from the prior year and the lowest since 2016 (25.2 billion pounds). Domestic commercial beef production is expected to decline in 2026, falling below 26 billion pounds.

The decrease in domestic commercial beef production in 2025 was partially offset by higher beef imports. In 2025, beef imports were a record at nearly 5.5 billion pounds, an increase of 835 million pounds (+18%) from the prior year. Beef imports accounted for 17% of total beef supplies in 2025, the highest on record based on data going back to the 1970s and up from 14% in 2024. Since 2014, imports as a percentage of total beef supplies have ranged from 10% to 17%. Beef imports as a percentage of total beef supplies posting double digits also occurred from 1999 to 2007, when they ranged from 10% to 13%. Outside of those periods, the percentage was below 10%.

Looking into 2026, USDA's March World Agricultural Supply and Demand Estimates (WASDE) forecasted beef imports at nearly 5.7 billion pounds and total beef supplies at just over 32.1 billion pounds. This puts beef imports as a percentage of total beef supplies at 18%, again, for 2026. The larger percentage of total beef supplies coming from beef imports is a signal that domestic demand for ground beef products remains strong.

A rise in beef imports is due in part to lower domestic cow slaughter. Beef production from cow slaughter provides a critical part of the supply picture to produce ground beef products. In 2025, total cow slaughter was reported at just below 5 million (4,992) head, which was down about 588,000 head (-11%) from the previous year. This marks the third

LOIN AND RIB VALUES LEADING CUTOUT HIGHER

By: Josh Maples, Mississippi State University Extension

The Choice boxed beef cutout topped \$400 per cwt last week and is up about \$50 per cwt since the start of the year. This marks the first time the Choice cutout has exceeded \$400 since the September 2025 highs. The Select cutout has also surged and is at levels only surpassed during May 2020. Despite these increases, the Choice-Select spread has remained relatively narrow in early 2026, indicating a limited premium for Choice over Select.

Increases in Loin and Rib primal values have been key drivers of the higher Choice cutout. In 2025, Rib values increased sharply from March to April, while Loin values strengthened from March through early summer. In contrast, both primals have trended higher since January this year. The Loin is up \$98 per cwt (23%) and the Rib is up \$83 per cwt (17%) since the start of the year. These two primals alone have contributed approximately \$21 and \$9.50, respectively, of the \$50 increase in the Choice cutout. Other primals have also posted notable gains, including the Short Plate (+\$70 per cwt, 30%) and Flank (+\$50 per cwt, 30%), though their smaller weights limit their overall impact. The Chuck and Round, which carry the largest weights in the cutout calculation, are up 4% and 12%, respectively.

Boxed beef values tend to build gradually through the first quarter before accelerating in the spring and reaching a seasonal peak ahead of summer grilling season. In 2026, the cutout has surged earlier in the year as cyclical market fundamentals are outweighing typical seasonality. Cattle supplies and beef supplies are tight. When supplies are tight, wholesale prices tend to respond quickly. Additionally, buyers may be pulling some purchases forward due to expectations of tight supplies and even higher prices later this spring. For producers, strong early-year boxed beef prices are supportive of fed cattle markets. Strong demand and tight supplies are supporting beef values in 2026.



CPL welcomes Carol Coffman Bliss as our new Region 3 Director from Leesville La in Vernon Parish. Please reach out to Carol at 337-353-2992, bcbliss2003@yahoo.com. She operates Coffman Polled Herefords and serves as the Vernon Parish Cattlemen's Association Membership Chairman.

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