

Cattle Markets and Winter Feeding Considerations

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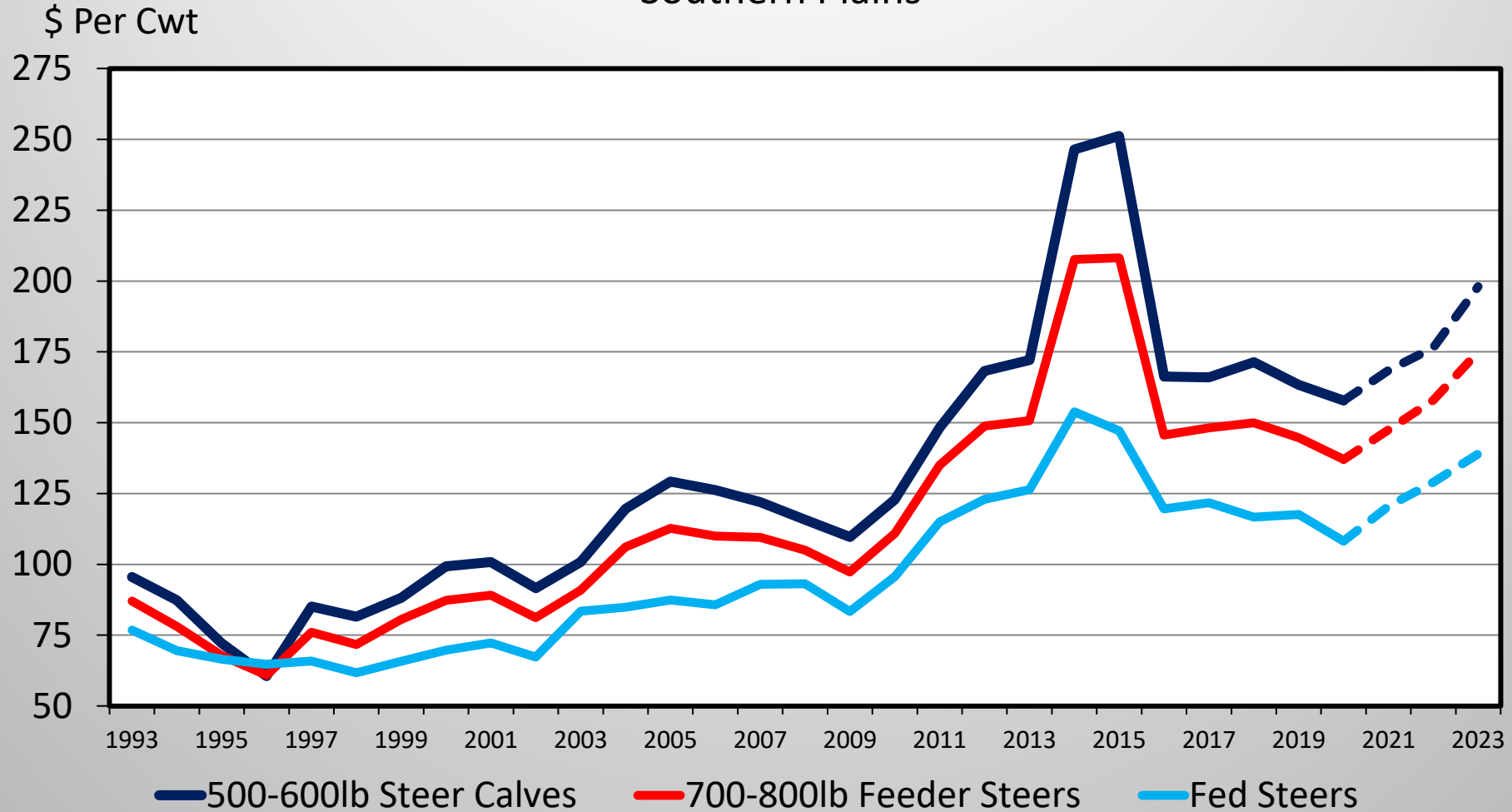
Oklahoma State University



**OKLAHOMA COOPERATIVE
EXTENSION SERVICE**

AVERAGE ANNUAL CATTLE PRICES

Southern Plains



Data Source: USDA-AMS, Compiled and Forecasts by LMIC

Livestock Marketing Information Center

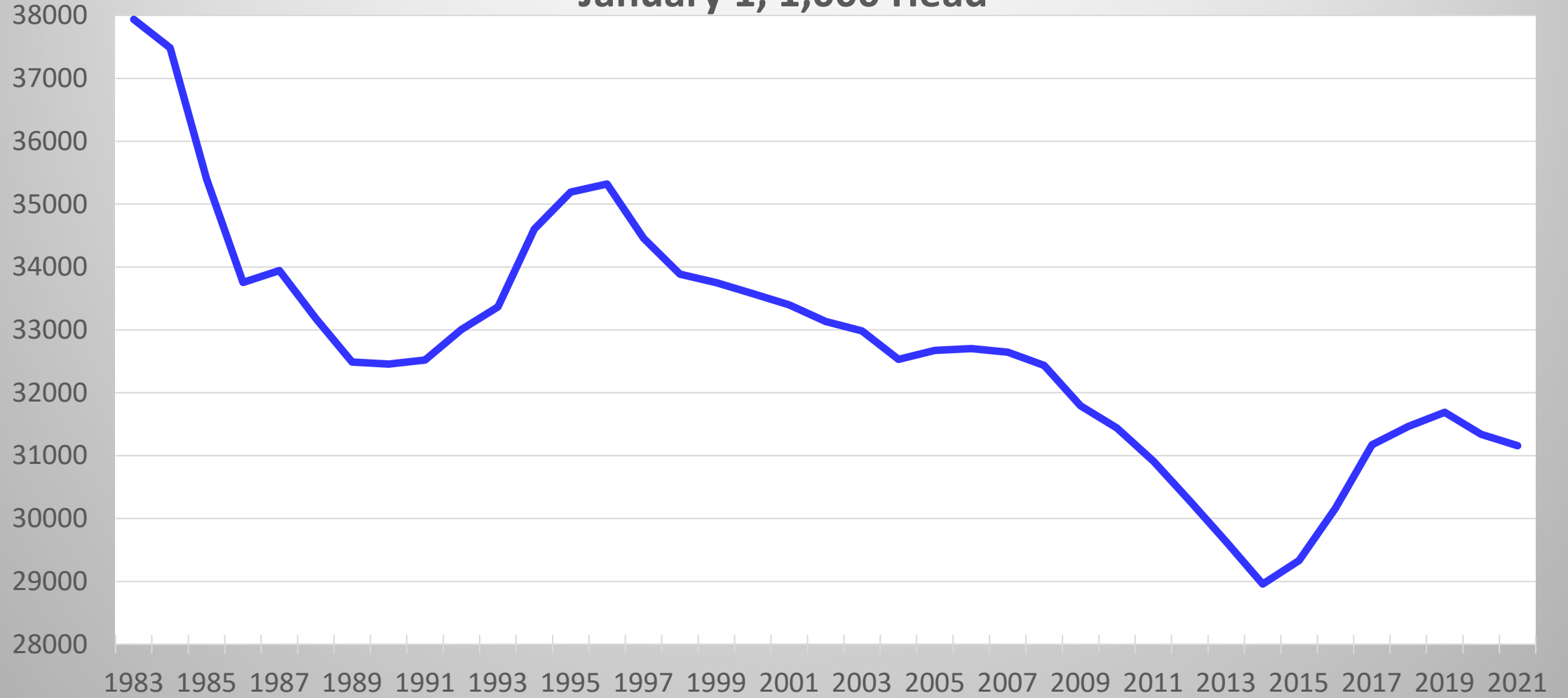
C-P-06
09/01/21

Key Market Factors to Remember

- Cattle numbers declining
- Demand
- Drought
- Feed Prices



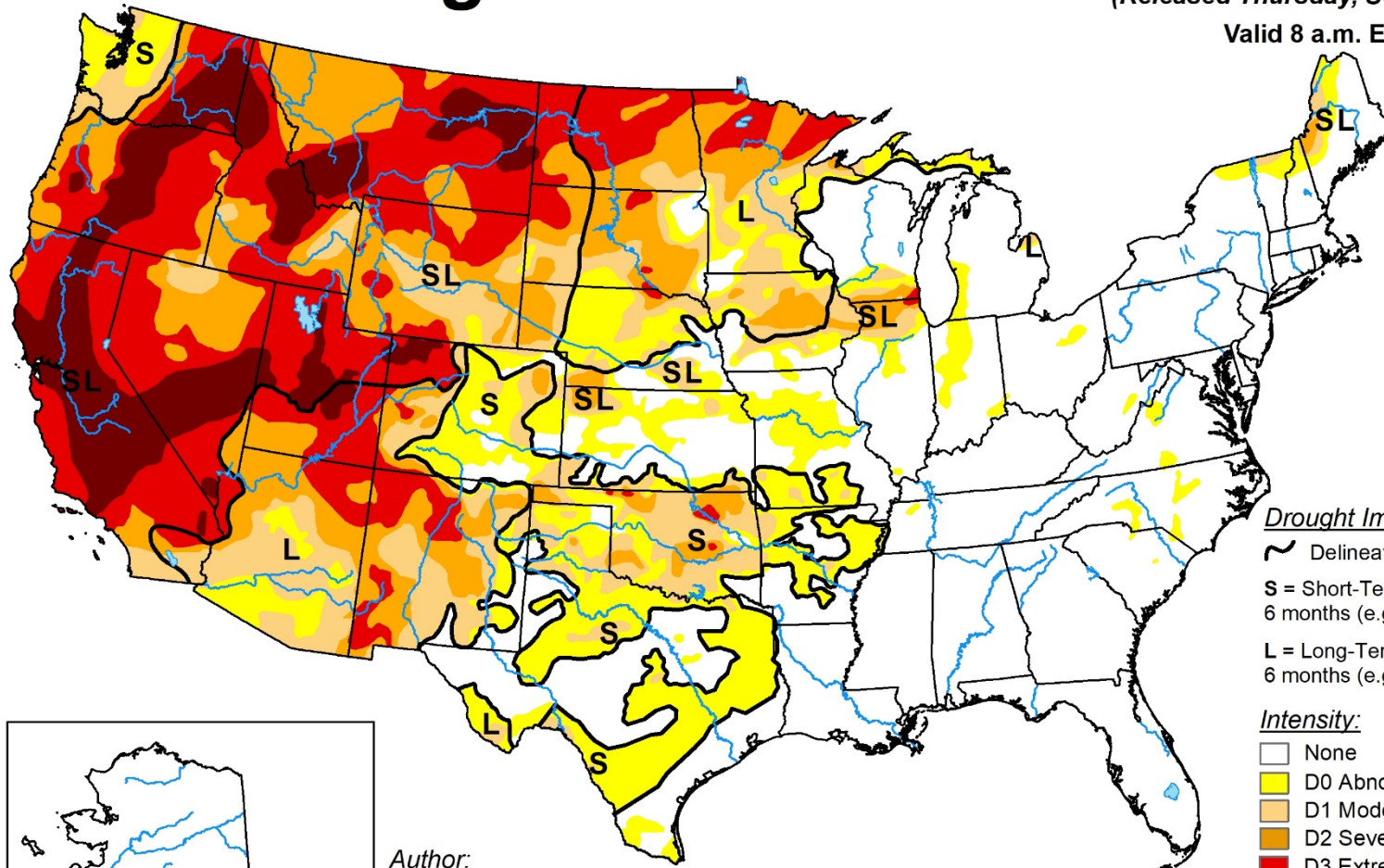
Beef Cow Inventory January 1, 1,000 Head



U.S. Drought Monitor

September 28, 2021
(Released Thursday, Sep. 30, 2021)

Valid 8 a.m. EDT

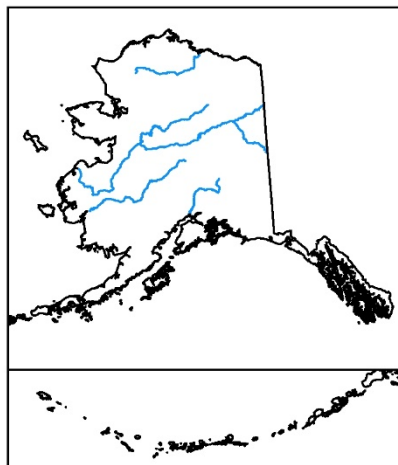


Drought Impact Types:

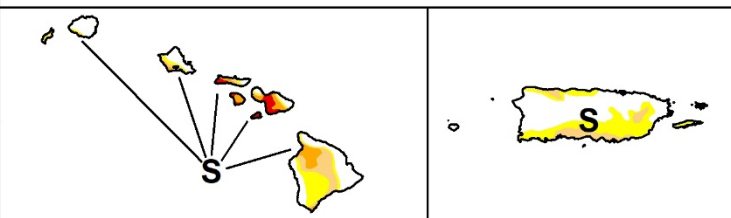
- ~ Delineates dominant impacts
- S = Short-Term, typically less than 6 months (e.g. agriculture, grasslands)
- L = Long-Term, typically greater than 6 months (e.g. hydrology, ecology)

Intensity:

- None
- D0 Abnormally Dry
- D1 Moderate Drought
- D2 Severe Drought
- D3 Extreme Drought
- D4 Exceptional Drought



Author:
Brian Fuchs
National Drought Mitigation Center



The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. For more information on the Drought Monitor, go to <https://droughtmonitor.unl.edu/About.aspx>



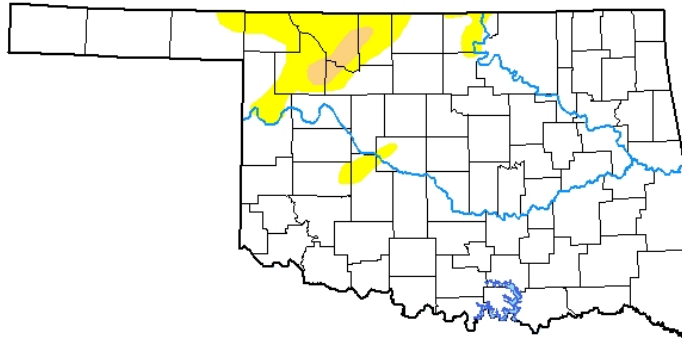
droughtmonitor.unl.edu

U.S. Drought Monitor Oklahoma

July 20, 2021
(Released Thursday, Jul. 22, 2021)
Valid 8 a.m. EDT

Drought Conditions (Percent Area)

	None	D0-D4	D1-D4	D2-D4	D3-D4	D4
Current	91.45	8.55	1.13	0.00	0.00	0.00
Last Week <small>07-13-2021</small>	90.35	9.65	1.21	0.00	0.00	0.00
3 Months Ago <small>04-20-2021</small>	49.11	50.89	21.76	6.96	0.08	0.00
Start of Calendar Year <small>12-29-2020</small>	56.83	43.17	25.21	7.75	1.45	0.00
Start of Water Year <small>09-29-2020</small>	66.79	33.21	17.71	11.97	1.55	0.00
One Year Ago <small>07-21-2020</small>	35.40	64.60	41.40	11.42	2.98	0.00



Intensity:



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Author:

Brad Rippey
U.S. Department of Agriculture



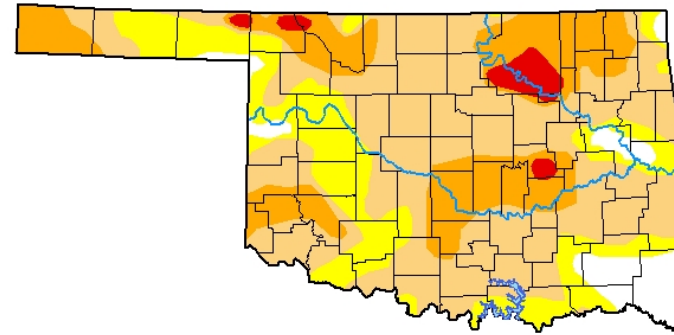
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U.S. Drought Monitor Oklahoma

September 28, 2021
(Released Thursday, Sep. 30, 2021)
Valid 8 a.m. EDT

Drought Conditions (Percent Area)

	None	D0-D4	D1-D4	D2-D4	D3-D4	D4
Current	6.45	93.55	73.23	23.72	2.65	0.00
Last Week <small>09-21-2021</small>	20.56	79.44	39.37	4.62	0.17	0.00
3 Months Ago <small>06-29-2021</small>	84.11	15.89	1.77	0.24	0.00	0.00
Start of Calendar Year <small>12-29-2020</small>	56.83	43.17	25.21	7.75	1.45	0.00
Start of Water Year <small>09-29-2020</small>	66.79	33.21	17.71	11.97	1.55	0.00
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Intensity:



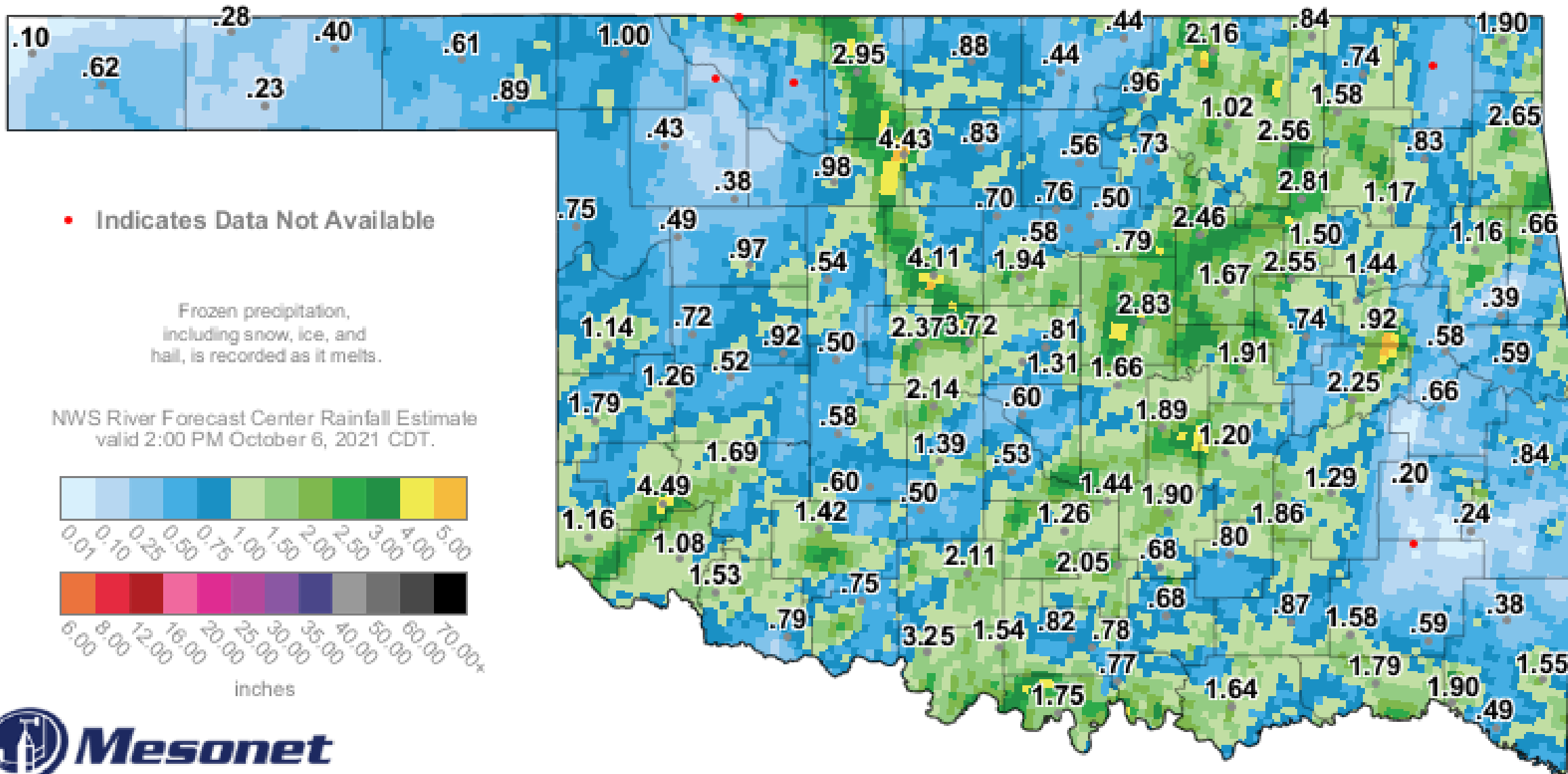
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Author:

Brian Fuchs
National Drought Mitigation Center



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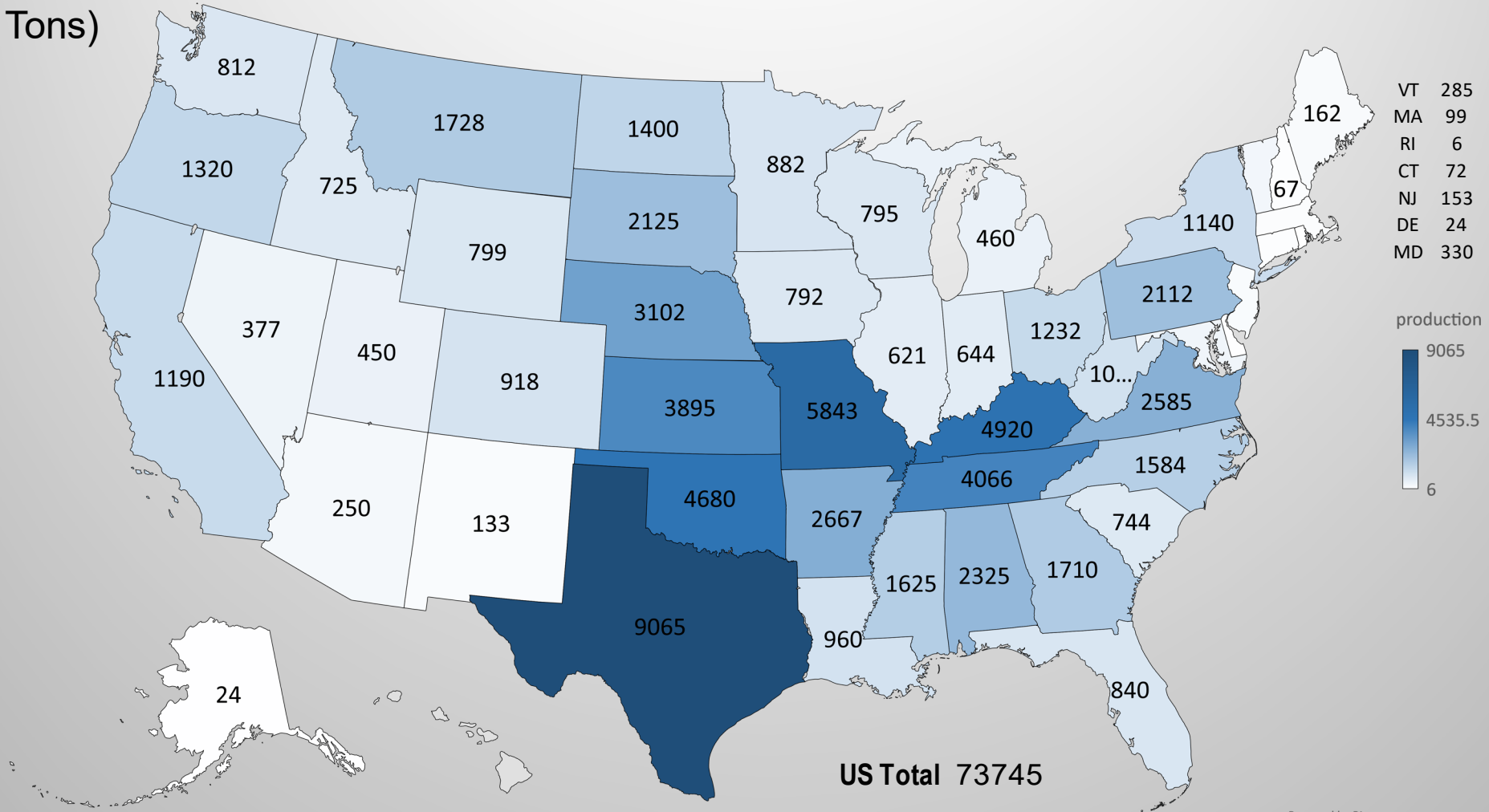
10-Day Rainfall Accumulation (inches)

2:50 PM October 6, 2021 CDT

Created 2:55:50 PM October 6, 2021 CDT. © Copyright 2021

OTHER HAY PRODUCTION 2020

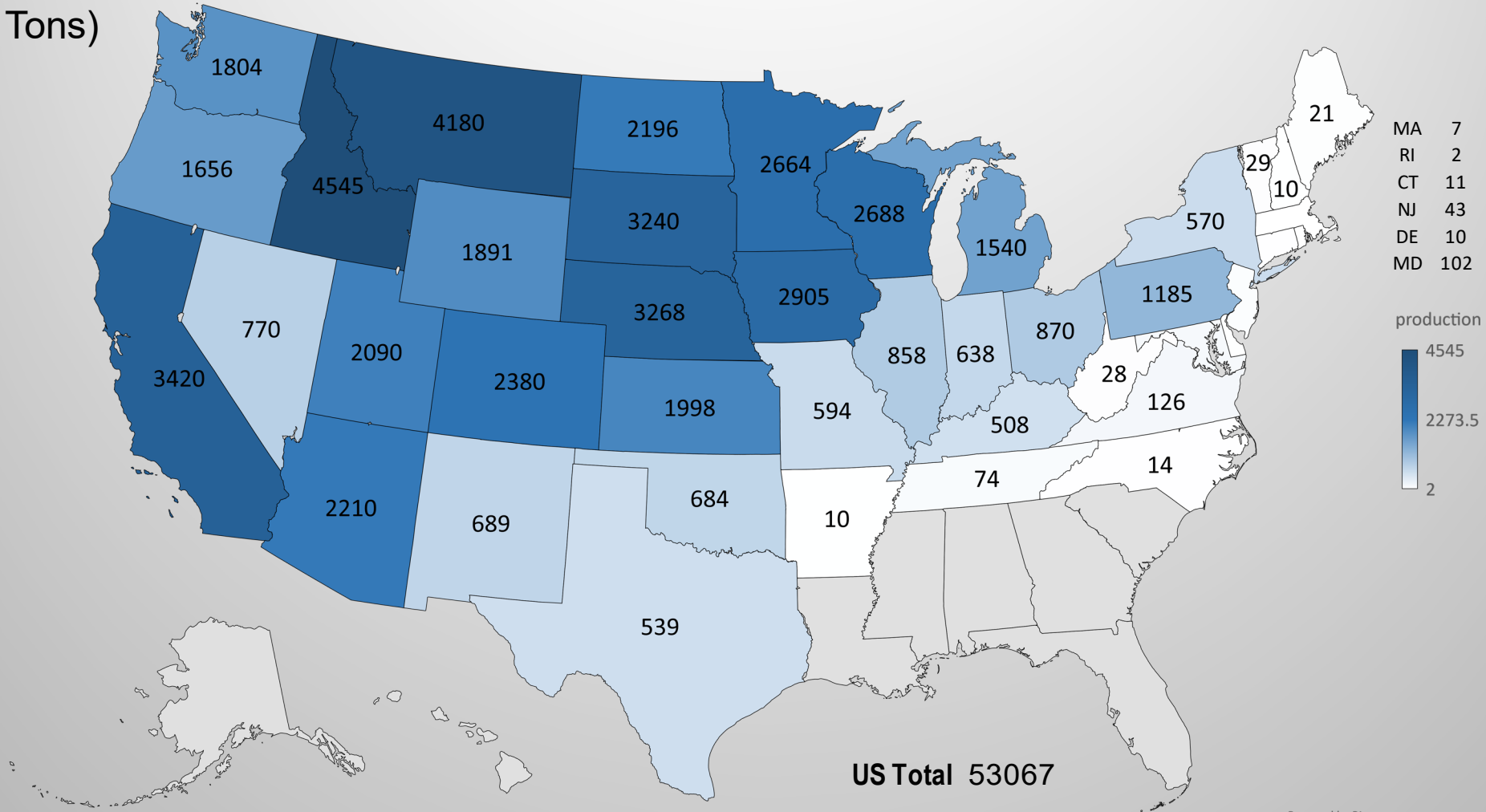
(1000 Tons)



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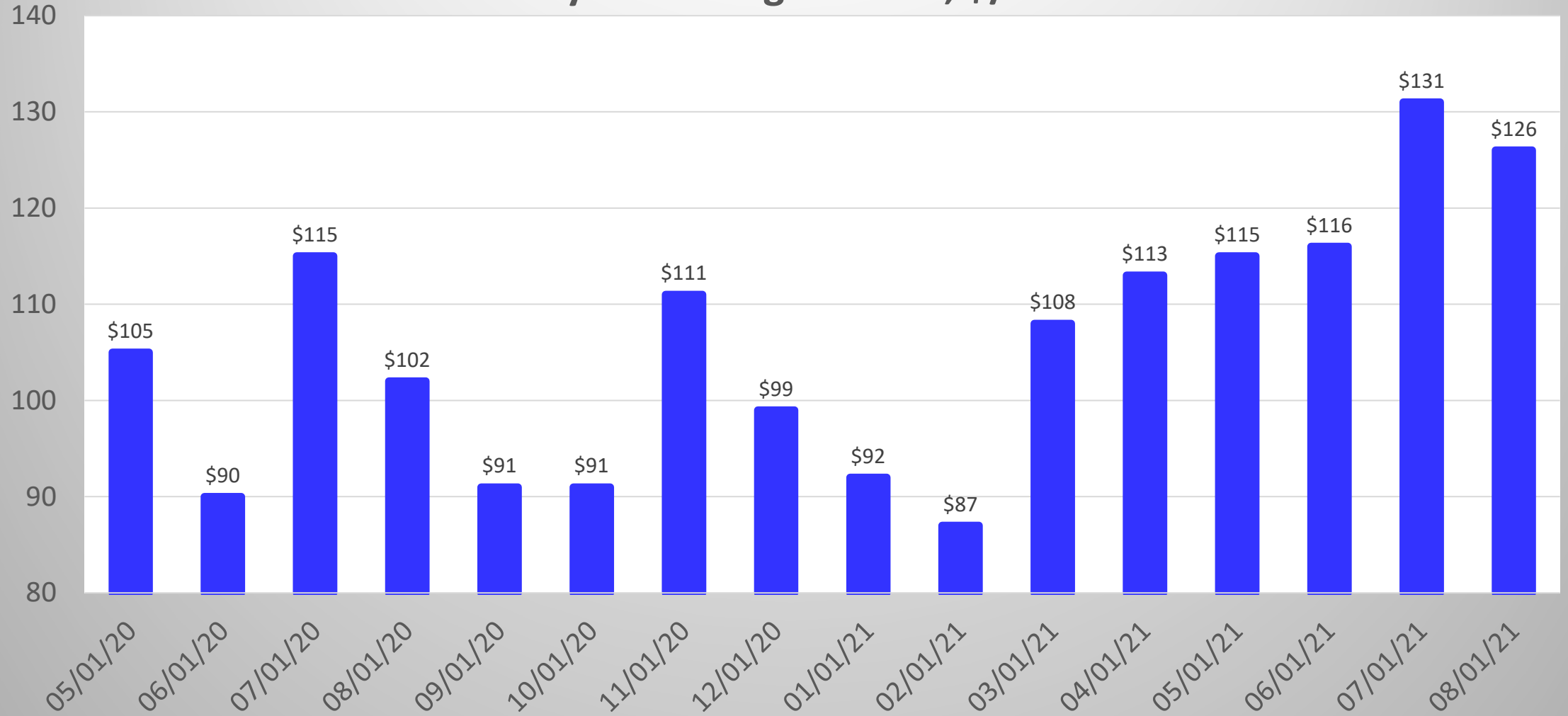
ALFALFA HAY PRODUCTION 2020

(1000 Tons)



Other Hay Price, Oklahoma

May 2020- August 2021, \$/Ton

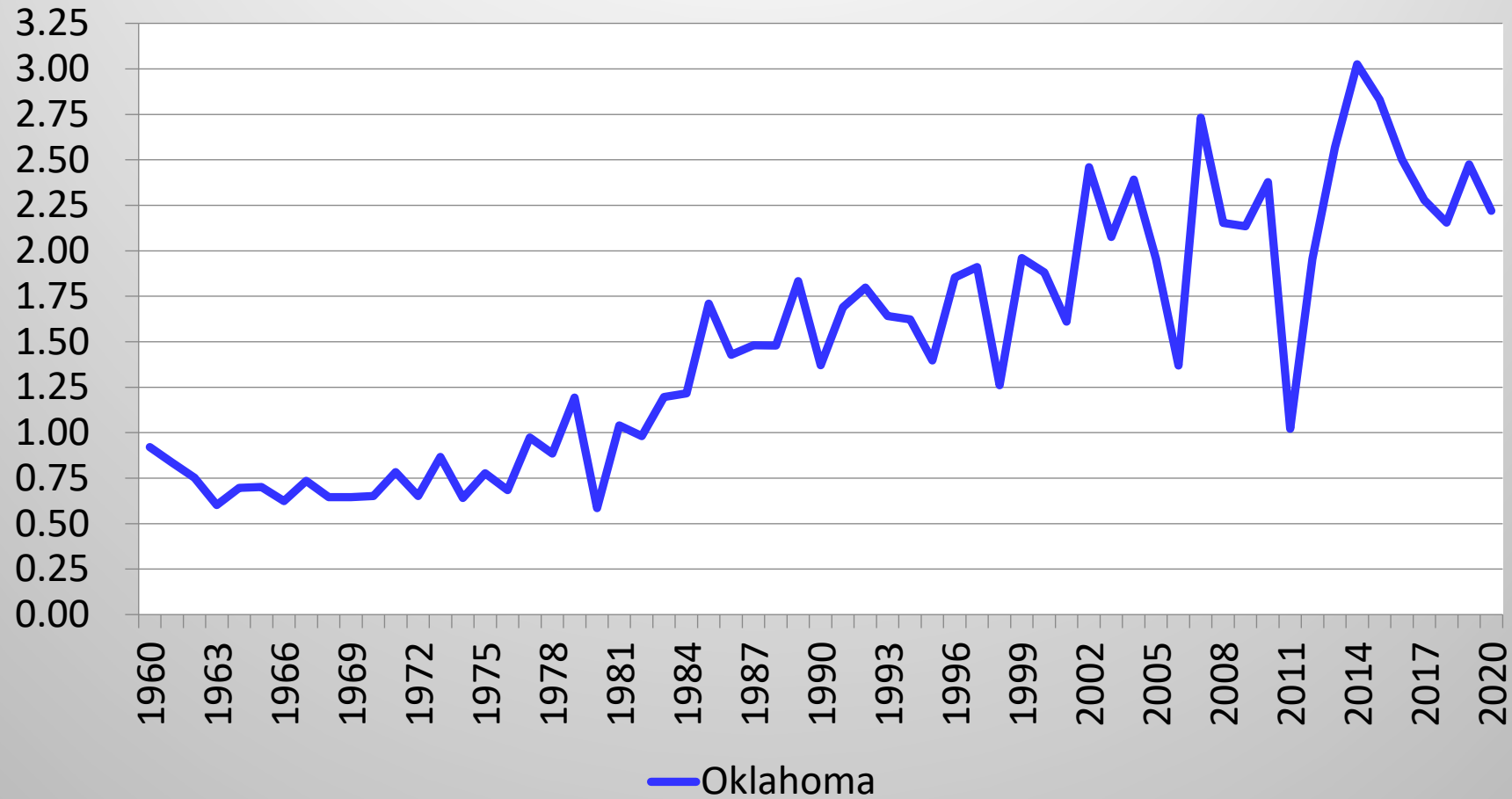


Other Hay Price, August

	2020	2021	% Change
Oklahoma	102	126	+23.5
Missouri	110	110	-
Kansas	95	103	+8.4
Nebraska	84	104	+23.8
South Dakota	70	114	+62.9
North Dakota	72	122	+69.4
Montana	140	195	+39.3

Other Hay Production

Tons Per Beef Cow



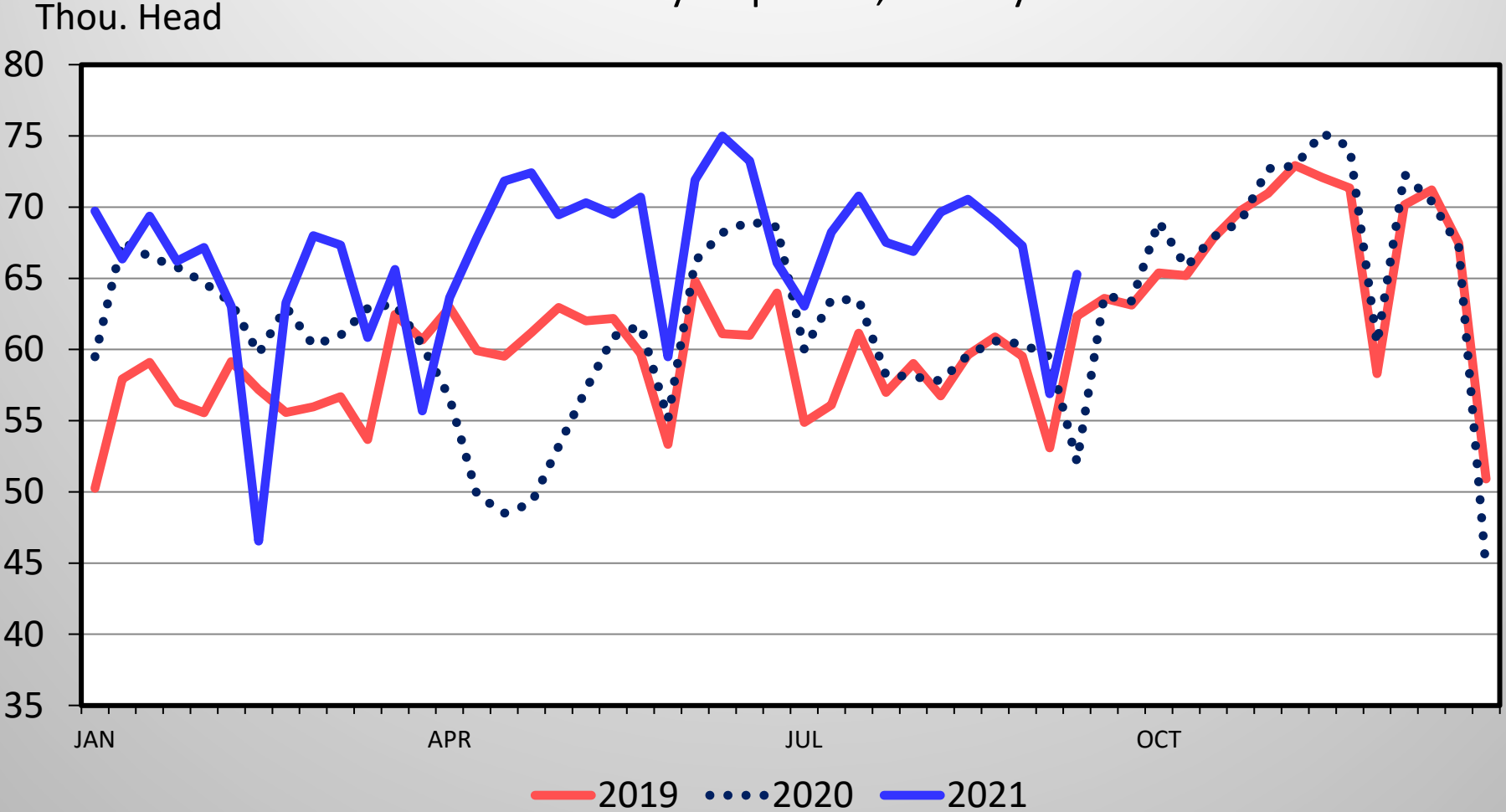
Oklahoma Hay Use per Beef Cow

- 1970-1984 0.87 tons/cow 1,740 lbs
- 2006-2020 2.25 tons/cow 4,500 lbs
- Why 2,760 lbs of extra hay needed per cow?
 - Bigger cows
 - Does not account for increased hay use (maybe 20%)
 - Should they be bigger? What size cow is most efficient?
 - Wasted Hay (maybe 40 %)
 - 50% storage and feeding losses
 - Longer Feeding Time (maybe 40 %)
 - 30-40 days extra feeding



BEEF COW SLAUGHTER

Federally Inspected, Weekly



Data Source: USDA-AMS & USDA-NASS

Livestock Marketing Information Center

Cattle Slaughter

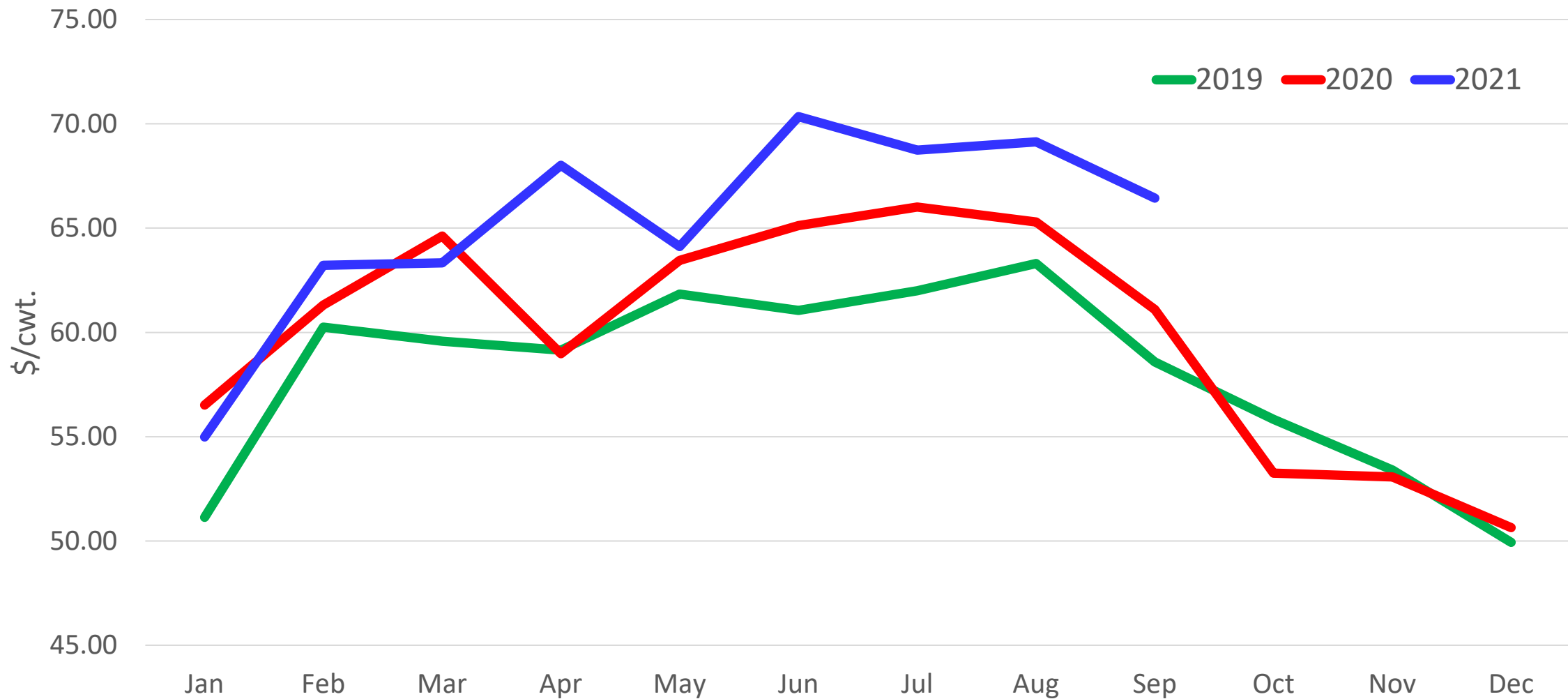
Federally Inspected, 1000 Head

	2018	2019	2020	% Change 2019 to 2020	2021 YTD % Change 2019
Steers	16637	16298	15856	-2.7	-1.3
Heifers	9167	9819	9445	-3.8	+0.4
Dairy Cows	3153	3224	3064	-5.0	-3.6
Beef Cows	3024	3190	3268	+2.4	+12.5
Bulls	538	539	518	-3.9	+2.8
Total	32518	33069	32151	-2.8	+0.3

Latest data: September 18, 2021

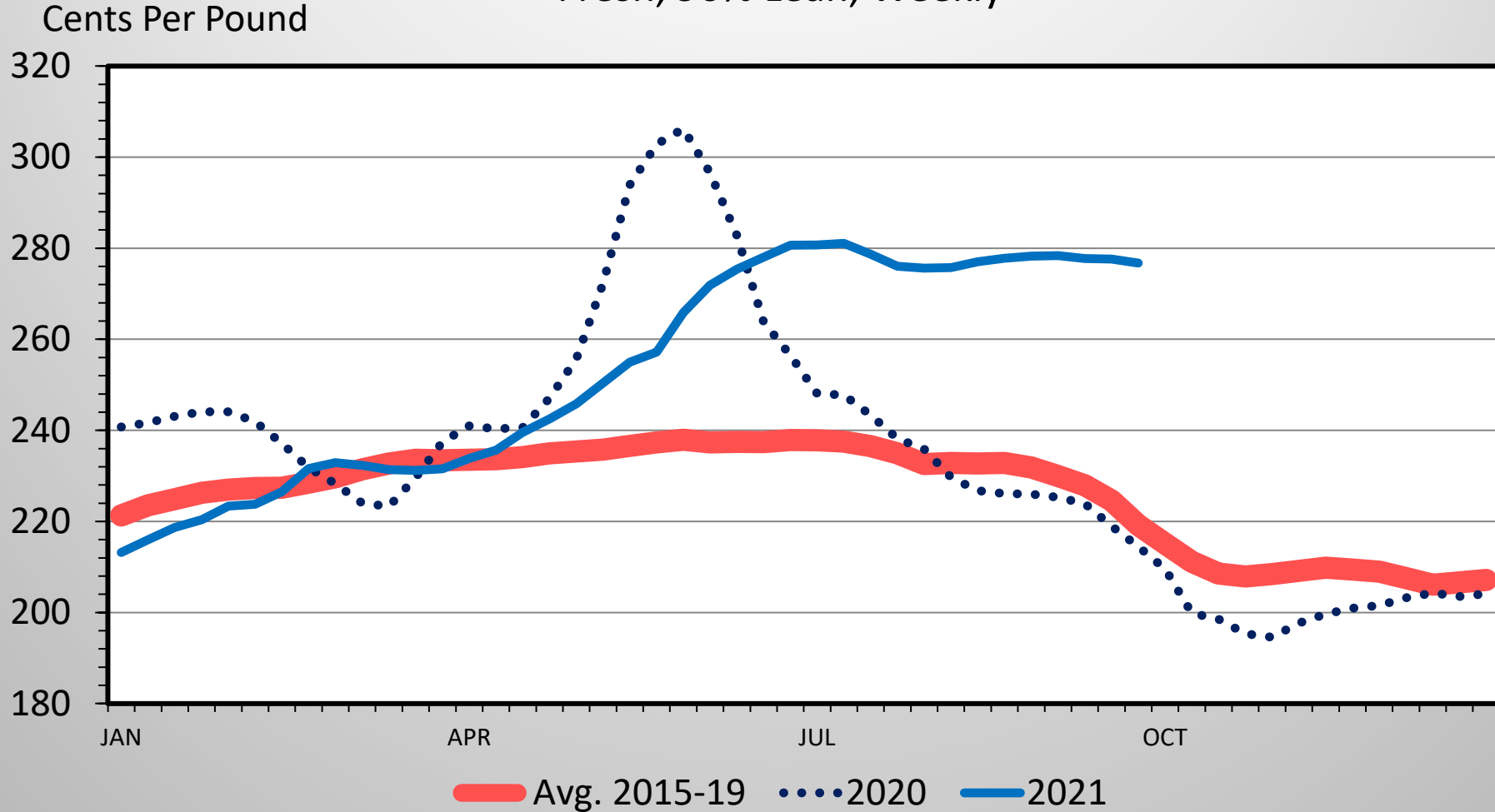
Oklahoma Slaughter Cow Prices

Boning, Average Dressing



WHOLESALE BONELESS BEEF PRICES

Fresh, 90% Lean, Weekly



Data Source: USDA-AMS

Livestock Marketing Information Center

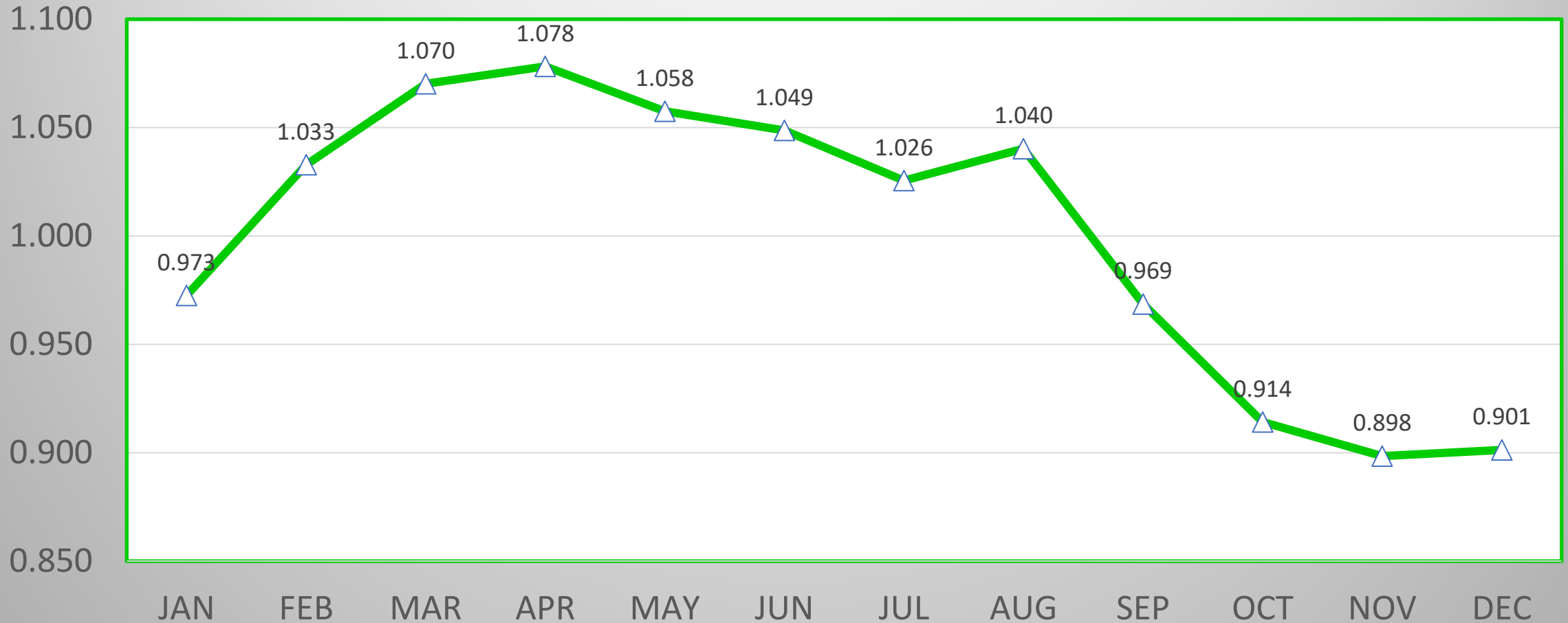
M-P-24

10/01/21

Cull Cow Marketing Considerations

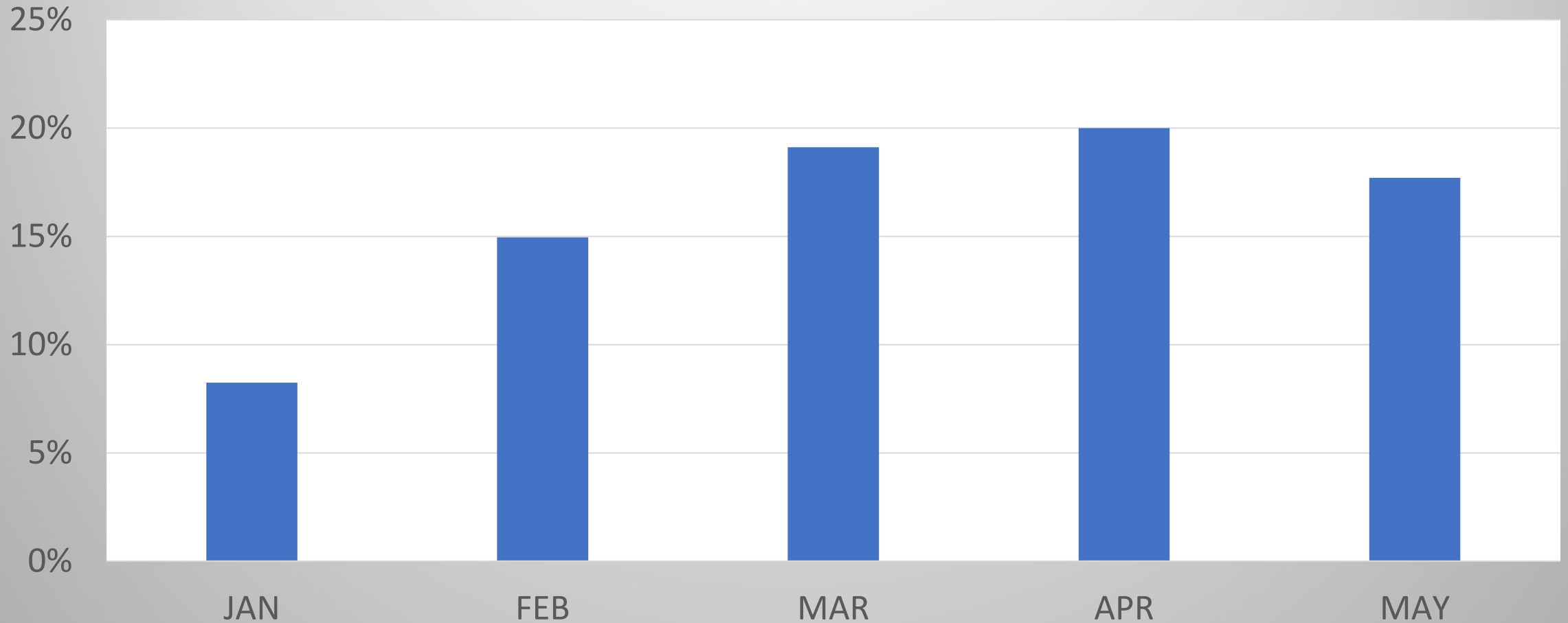
- Health/Physical Condition
- Body Condition
 - Thin cows can add weight
 - Sell fleshy cows now
- Feed resources
 - Extra feed – marginal quality
 - Best use of hay/standing forage?
- Management/facilities
 - Time and a place to keep them

Breaking Cows Seasonal Price Index, Oklahoma, 2010-2019



% Change in Breaking Cow Price From Previous November

Oklahoma, 2010-2019



Cull Cow Feeding and Marketing Benefits

- Market cows at heavier weight
 - Weight gain during the feeding period
- Market into the upward trend in the seasonal price pattern (from November to July)
- Price premium
 - Improved body condition score (BCS)
 - Improved slaughter grade and dressing percentage
- Pregnant?

Cull Cow Feeding Cautions

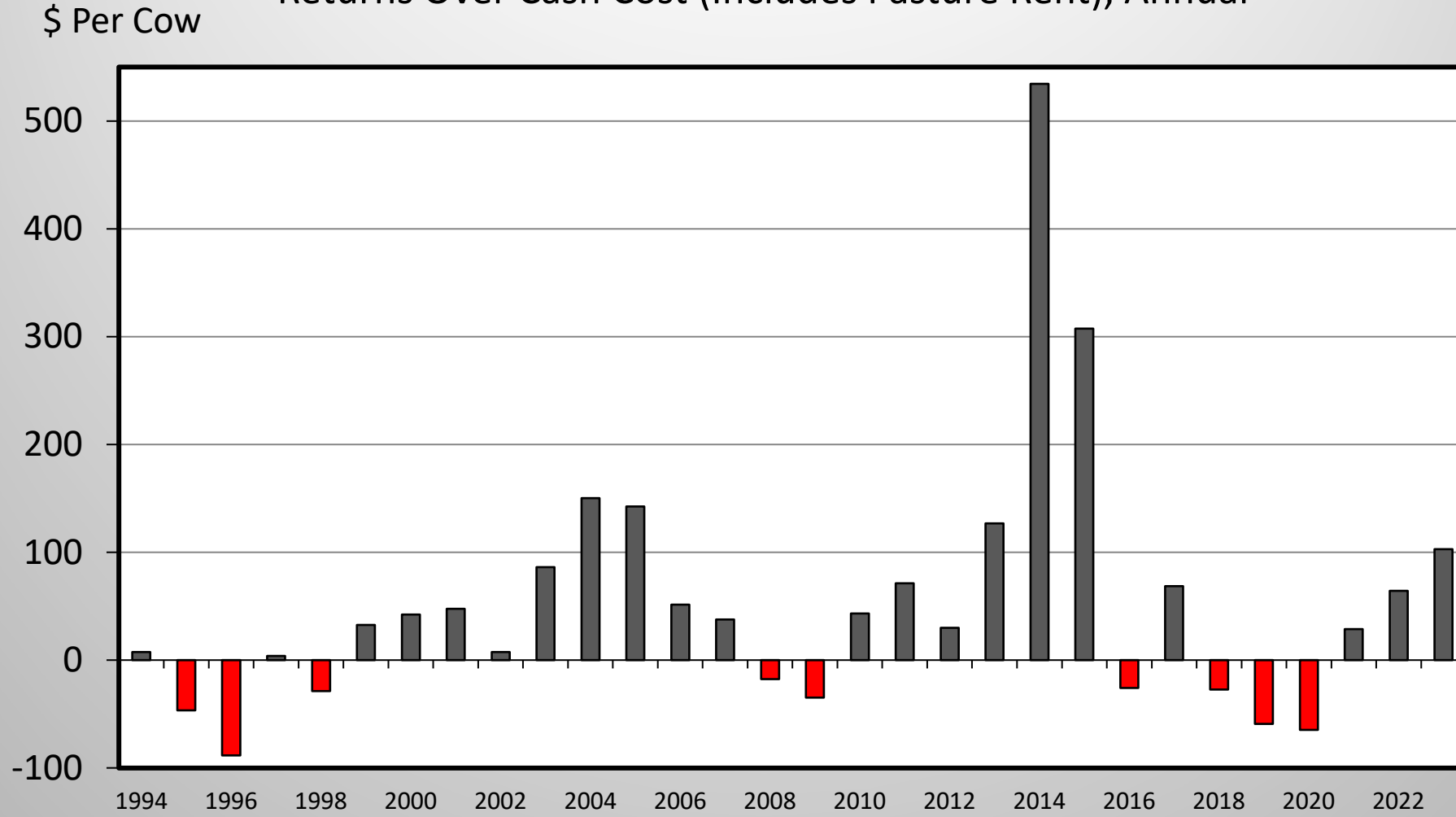
- Cull cows may be a good way to utilize some medium quality hay or standing forage but...
- Cows are inefficient in feed conversion
- Important to carefully plan rations and manage feeding

Feed Ingredient Prices, \$/ton

	2020	2021	% Change
Soy Meal	330	314	-4.8
CSM	320	335	+4.7
Cottonseed	210	375	+78.6
Corn Gluten Feed	190	225	+18.4
DDG	149	225	+51.0
Wheat Midds	115	155	+34.8
Corn, #2 Yellow	124	187	+51.0

ESTIMATED AVERAGE COW CALF RETURNS

Returns Over Cash Cost (Includes Pasture Rent), Annual



Data Source: USDA & LMIC, Compiled by LMIC

Livestock Marketing Information Center

C-P-66
09/01/21



Summary

- Higher cattle prices expected
- Higher grain/feed/hay prices will persist
- Other input prices rising
- Better profitability prospects but cost management critical



Cow-Calf Corner

The Weekly Email Newsletter

From OSU Animal Science and Agricultural Economics

- Send Email to derrell.peel@okstate.edu



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