COW/CALF CORNER

The Newsletter

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Short Term Calf Removal

Glenn Selk, OSU Extension Cattle Reproduction Specialist

Short-term calf removal is the term that describes the temporary physical separation of the calf from its mother. This removes the nursing stimulus from the cow for about 2 days. Removal of calves for 48 hours has shown to improve rebreeding rates of moderately conditioned (BCS=5) cows by 4-8%. (See table 1.) This improvement although, seemingly small in magnitude is large compared to the out-of-pocket investment. Short-term calf removal can be used at the beginning of the breeding season, or in the middle, or both depending on the labor situation. Short term calf removal is not a powerful enough stimulus to "jump start" very thin cows. Those that are in a body condition score of 4 or less may need to have the calves weaned completely to allow the cow to recycle early in the upcoming breeding season. The care of the calf during that 48 hours is actually quite simple. Most producers will make certain that calves have access to some "sweet" feed and plenty of fresh drinking water. The calves will eat very little during this time.

Table 1. Summary of 3 trials comparing 48 hour short term calf removal to cow/calf pairs that were traditionally suckled (control). (Simms, et al. 1982 KSU Cattleman's Day)

Treatment	Number of Cows	%pregnant at palpation	Calf A.D.G.
Control	101	87.1	1.60
Removed	86	93.0	1.63

Those cows that calve in the BCS 6 or fatter can be expected to return to estrus early in the breeding season and should have high rebreeding rates. Although not harmful, the practices of early weaning, short-term calf removal, or feeding extra feed will NOT show significant advantages for these cows. Therefore producers will want to continue their normal lactating cow supplementation programs until green grass provides the nutrients that these cows need. Concerns about calf health and growth are lessened by comparing the average daily gain over the entire seven months of calf nursing. Those that were removed from the cows for 48 hours grew as rapidly and had similar weaning weights as those who were never removed from their mothers.

Many Factors Affecting Cattle Markets

Derrell S. Peel, OSU Extension Livestock Marketing Specialist

Cattle and beef markets are currently being impacted by a long and variable list of market forces. Some of these influences are positive and others negative and nearly all are very dynamic and likely to remain volatile in the near future. It is difficult to sort out all the ups and downs and net out the overall direction of cattle markets. Calf prices are generally holding stable this spring but heavy feeders and fed cattle are struggling to put together a spring rally.

Supply fundamentals are still generally favorable for cattle markets. Feedlot inventories are two percent above last year but tighter feeder cattle supplies should take hold in March and feedlot placements will decrease in the second quarter. This should support both feeder and fed prices and may provide the only remaining opportunity for a spring rally in the next 30 days or so. Fed cattle prices are capped by weak boxed beef prices and a narrow Choice-Select spread. Large losses at the feedlot level and continued prospects for high cost of gain will continue to temper feeder cattle demand.

Beef demand represents the most limiting and unknown factor in cattle and beef markets at this time. General macroeconomic news is not encouraging as high gasoline prices, unemployment, and the mortgage market meltdown all suggest that consumers must curtail spending by buying less and trading down in product quality. The current narrow Choice-Select spread is partly a reflection of weak demand for Choice meat relative to Select coupled with, ironically, the best Choice grading percentage in several years. It will be critical to watch the general economic situation to see if the U.S. economy will stabilize or slide further into recession in the coming weeks and months as this will determine whether the current demand ceiling drops even farther.

Competing meats currently represent significant pressure on meat markets with both pork and poultry adding year over year increases to current meat supplies. Despite strong meat exports, large domestic meat supplies make it unlikely that wholesale beef prices can advance enough to remove the pressure on packer and feedlot margins. The upcoming Hog and Pig report may give some indication of slowing pork production but even when evidence actually materializes of pork and poultry slowdowns, it will be late in 2008 before any significant abatement of competing meats relieves the pressure on beef prices.

International trade continues to offer more promise than actual support but the potential is there. Renewed access to the South Korean market and expanded access to the Japanese market both depend on political action that is uncertain in magnitude and timing. Beef exports could add considerable strength to markets in the second half of the year if progress is made soon on Asian market access. Meanwhile the U.S. continues to rely on Mexico and Canada for the bulk of beef exports. The weak U.S. dollar generally supports beef exports and tempers import demand for beef.

Crop prices in the U.S. remain at unprecedented levels as major food and feed grain markets jockey for planted acreage this spring. The upcoming crop plantings report may answer some of the many questions about the allocation of planted acres. However, market volatility is likely to continue through the summer and beyond as questions about planting intentions will shift to weather impacts on crop yields in the next month or two. The new environment in U.S. agriculture means that both short and long term adjustments in agriculture and specifically in livestock production will continue in coming years with uncertain but potentially large impacts on agricultural production, trade and a variety of food market impacts.

Rising input costs represent a huge threat to profitability in the livestock and meat industry. Relatively high costs for feeder and fed cattle continue to squeeze margins for feedlots and packers. Feedlots, faced with high feed costs, have had limited success in reducing feeder cattle costs because of the relatively limited supply of feeder cattle. All production and marketing sectors are struggling to adjust to high fuel costs and cow-calf and stocker producers that have improved pastures are faced with extremely high fertilizer costs or significant reductions in stocking rates to reduce fertilizer needs. In some areas, pastures are being converted back to crop production and the overall impact of reduce forage acres and reduced input use on total forage and hay supplies is unknown.

Dynamic global markets, expanded biofuels potential, and the lack of a farm bill all add to the list of potentially important factors to watch. Fasten your seat belts and stay tuned.