

COW/CALF CORNER

The Newsletter

From the Oklahoma Cooperative Extension Service

July 23, 2012

In this Issue:

Beef Demand is Still the Key

Derrell S. Peel, Oklahoma State University Extension Livestock Marketing Specialist

Early Weaning Spring-born Calves

Glenn Selk, Oklahoma State University Emeritus Extension Animal Scientist

Beef Demand is Still the Key

Derrell S. Peel, Oklahoma State University Extension Livestock Marketing Specialist

The continued worsening of the drought has cattle markets on the defensive in just about every respect. Loss of forage and reduced hay production is causing early feeder cattle sales and additional cow culling. The signs of additional beef herd liquidation are everywhere; the mid-year total cattle inventory is down 2 percent while the beef cow herd is down 3 percent. Though beef cow slaughter is down over nine percent from last year, cow culling still exceeds heifer placement and the herd continues to decline. The July 1 beef heifer inventory is just even with last year, which indicates no significant expansion and the replacement heifers may yet be liquidated if the drought worsens. The July Cattle on Feed report included a scant two percent decrease in placements in June, which is really a 2.8 percent increase in placements when adjusted for the one less business day this June. Placements of cattle less than 600 pounds was equal to last year's drought enhanced level and suggests more drought forced placements this year.

The market price impacts of this year's drought have developed much quickly and have been much more severe this year compared to last. Partly that is because of a more widespread drought with fewer regional options, partly because of the dramatic impacts of the drought on corn prices but also because of a significant erosion in beef values in the past month. Choice boxed beef decreased eight percent in the past month, led by a nearly 17 percent drop in wholesale Ribeye prices and an 11 percent drop in wholesale Loin values. A weaker U.S. macroeconomic outlook combined with weaker beef exports is contributing to persistent sluggish growth in beef demand.

Notwithstanding the impact of the drought on the timing of cattle sales and on corn prices, it should be remembered that beef supply fundamentals remain tight. This should help limit drought impacts now and increase price recovery prospects later. Of course it depends on how long the drought remains and how severe conditions get. The estimated 2012 calf crop is down two percent and July 1 estimated feeder supplies are down 3.2 percent from last year. At some

point after the worst of the drought impacts pass, tight supplies will push cattle prices back higher...but it depends on beef demand. The extent to which high corn prices will limit feeder cattle prices in the coming months will depend on beef demand and its impact on fed cattle prices. Right now it is the drought that dominates cattle markets but later it will be beef demand, both domestic and international, that will be the key to cattle prices.

Early Weaning Spring-born Calves

Glenn Selk, Oklahoma State University Emeritus Extension Animal Scientist

The summer of 2012 has again diminished pastures and harvested forages. Those producers that still own spring calving cows that are nursing calves should consider the option of early weaning the calves to give the cows the best opportunity to maintain some body condition going into winter. South Dakota State scientists examined this scenario (using mature cows) by comparing the effect of weaning date on performance of the beef cows. They weaned half of the cows at the time of the first real cool spell (September 14). The other half of the cows had their calves weaned at a traditional time (October 23). The scientists then monitored body condition and rebreeding performance of the cows. Note that this study included two different nutritional levels: 1) A low group to mimic an early winter or a dry summer; 2) A moderate group to mimic more ideal summer and early winter seasons. Only the data for those cows exposed to the low nutritional group are presented here. They more nearly reflect what may happen for young cows in a drought than will the moderately fed cows.

Table 1. South Dakota study of earlier weaning on mature cows

Weaning time	September 14	October 23
December body condition	+.5	-----
% cycling 1st 21 days of breeding	83	74
% pregnant to 21 day AI	70	35
Average conception date	June 26	July 3

(source: Pruitt and Momont; 1994 South Dakota Beef Report)

This data indicates that the 40 days earlier weaning allow the cows to maintain more body condition score (0.5 BCS) going into winter. More of the early weaned cows were cycling at the start of the breeding season, conceived early in the breeding season and should wean heavier older calves the following year. In addition a small amount of high protein supplement (i.e. cottonseed meal or soybean meal) will enhance the cow's ability to utilize the declining quality of the late summer forage and/or low quality grass hay. Therefore allowing more body condition to remain on the young cows before frost arrives. This combination of management techniques should be a cost effective way to slow the decline in re-breeding rates of drought-stressed, spring calving cows.

Taking care of the early-weaned calves becomes another challenge that must be met, if the calves are not sold “off of the cow”. The early-weaned calves (if properly vaccinated) will be ready for any of the special value-added calf sales that require 45 day weaned-calves. Fenceline weaning would be a recommended practice for the weaning process of these light calves. Remember, if you wean in this hot weather, you **MUST** have ample supplies of fresh water on both sides of the fence.

Feeding programs for light, early-weaned calves should be carefully planned and delivered. Suggested rations for these calves can be found in the Oklahoma State University Fact Sheet [ANSI 3031: “Nutrition and Management Considerations for Preconditioning Home Raised Beef Calves](#) .

Oklahoma State University, in compliance with Title VI and VII of the Civil Rights Act of 1964, Executive Order 11246 as amended, Title IX of the Education Amendments of 1972, Americans with Disabilities Act of 1990, and other federal laws and regulations, does not discriminate on the basis of race, color, national origin, sex, age, religion, disability, or status as a veteran in any of its policies, practices or procedures. This includes but is not limited to admissions, employment, financial aid, and educational services. References within this publication to any specific commercial product, process, or service by trade name, trademark, service mark, manufacturer, or otherwise does not constitute or imply endorsement by Oklahoma Cooperative Extension Service.