COW/CALF CORNER

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Mexican Drought Impacts on U.S. Cattle Imports

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Increased imports of Mexican cattle have supplemented dwindling U.S. feeder cattle supplies the past two years. Mexican cattle imports increased 16 percent from 2010 to 2011 to 1.42 million head. This level is 29 percent above the average annual imports for the ten years from 2001 to 2010 and was second only to the record 1995 level of 1.65 million head. From January through June of 2012, imports of Mexican cattle have totaled nearly 915,000 head, up 31 percent for the same period in 2011. At the current pace, annual imports could total nearly 2 million head, which would be well above any historical import level.

While there is no doubt that record high average U.S. feeder prices is responsible for some increase in cattle imports, the majority of the increase in 2011 and 2012 is due to the severe drought that has affected northern Mexico the past two years. In 2011, the drought in northern Mexico was every bit as severe as the drought in Texas and Oklahoma. For example, the state of Chihuahua received just 61 percent of the meager regional normal for an annual total of just over 10 inches of rain in 2011. The twelve month moving average of monthly rainfall in Chihuahua has been below the long term annual average since February 2011. However, the monthly rainfall for July was roughly 20 percent above the July average thereby making it only the second month in the last 22 months with above average rainfall. The monsoonal precipitation pattern of northern Mexico means that normally about 50 percent of total annual rainfall occurs in July and August. If August follows through with average or better rainfall, it may signal improvement in conditions in the region.

Increased Mexican cattle exports is the result of cattle liquidation in drought stricken regions and implies a flow of cattle that cannot be sustained. The question is how long can the increased imports persist? Data from Mexico report cattle exports on a "cattle year" basis that runs from September through August and identify total exports by state of origin. This data provides some insight into drought impacts in Mexico. The state of Chihuahua has the largest beef cow herd of the major cattle exporting states in northern Mexico and has been the origin of nearly 42 percent of total Mexican cattle exports to the U.S. in recent years. The increase in Mexican cattle exports in 2011 was due, in large part, to a 21 increase in exports from Chihuahua. However, in

the cattle year to date (eleven months) ending in July, exports of cattle from Chihuahua were down 32 percent from the same period a year earlier. Cattle exports originating in Chihuahua accounted for less than 20 percent of total exports over the period and was the smallest total number of head exported for a comparable period in data going back to 2000. The implication is that the drought has already significantly reduced available cattle supplies in Chihuahua.

The large increase in exports to the U.S. so far in 2012, has been driven by large increases from several other Mexican states. Feeder cattle exports from Sonora, which has had a beef cow herd nearly as large as Chihuahua, are up 24 percent for the cattle year to date compared to last year. More dramatically, exports from Durango are up 87 percent and exports from Zacatecas are up 74 percent. Exports have increased from several other states as well, including Tamaulipas, up 50 percent from a year ago; Coahuila, up 44 percent; and Nuevo Leon, up 25 percent from one year ago. All of these are states with beef cow herds that are 30 to 45 percent smaller than in Chihuahua (based on the last census of agriculture in 2007). It appears likely that significant cattle liquidation is occurring in the states of Sonora, Durango and Zacatecas and possibly in Nuevo Leon and Tamaulipas as well. It is unlikely that the current rate of cattle exports can be maintained for many more months. If the exports drop off soon, the 2012 total may be close to the 2011 level. The recent weakness in U.S. feeder prices and the possibility of an average or better rainy season in July and August may provide additional reason for slowing Mexican feeder exports for the remainder of the year. In any event, it appears that U.S. imports of Mexican cattle will decrease significantly in 2013 and likely for several years after.

Prepare Before Helping

Glenn Selk, Oklahoma State University Emeritus Extension Animal Scientist

The fall calving season will soon be underway on many Oklahoma and Southern Plains ranches. Before the first heifer starts in labor, now would be a good time to make the appropriate preparations for the upcoming calving season.

- Equipment: Before calving season starts do a walk-through of pens, chutes, and calving stalls. Make sure that all are clean, dry, strong, safe, and functioning correctly. This is a lot easier to do on a sunny afternoon than on a dark night when you need them.
- **Protocol:** Before calving season starts develop a plan of what to do, when to do it, who to call for help (along with phone numbers), and how to know when you need help. Make sure all family members or helpers are familiar with the plan. It may help to write it out and post copies in convenient places. Talk to the local veterinarian about the protocol and incorporate his/her suggestions. Make certain to call the veterinarian for professional assistance as soon as you identify a difficult birth that you are incapable of handling yourself.
- **Lubrication:** Many lubricants have been used and one of the best lubricants is probably the simplest non-detergent soap and warm water.
- **Supplies:** The stockman should always have in his medicine chest the following: disposable obstetrical sleeves, non-irritant antiseptic, lubricant, obstetrical chains (60 inch and/or two 30

inch chains), two obstetrical handles, mechanical calf pullers, and injectable antibiotics. Do not forget the simple things like a good flashlight with extra batteries and some old towels or a roll of paper towels. It may be helpful for you to have all these things and other items you may want to include packed into a 5 gallon bucket to make up an obstetrical kit so you can grab everything at once.

For more information before the upcoming calving season, download and read the Oklahoma State University Extension Circular E-1006 "Calving Time Management for Beef Cows and Heifers".

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