

COW/CALF CORNER

The Newsletter

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Slaughter Cow Market Following Seasonal Pattern...Only More So

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Boning cow prices in Oklahoma City were reported at just over \$102/cwt. in the first week of March. This level suggests that March slaughter cow prices will exhibit a more than seasonal price increase. Cull cow prices typically advance from November lows to a May peak that averages nearly 19 percent higher than November price levels. Slaughter cow prices in January averaged \$89.06/cwt. (OKC), close to the average seasonal increase of nearly 6 percent over November prices. February cull cow prices averaged \$97.19, a slightly more than seasonal increase of nearly 15 percent over the November price. March appears to be continuing the uptrend with current prices already well above seasonally projected price levels for March compared to November.

All of this follows unusually strong cull cow prices in the second half of 2013. Relative to the 2013 annual average price of \$84.38/cwt. for boning cows in OKC, prices from August through the end of the year were all above seasonal levels. The November price of \$84.63/cwt. was not the seasonal low for the year (January was the low at \$80.63/cwt.) and was some \$8/cwt. above typical seasonal November lows compared to the annual average price. There have been times in the past when a stronger than expected fall cow price is offset by a weaker than expected seasonal price increase into the following spring. Such is not the case this year with cull cow prices increasing at or above seasonal levels so far in 2014. The early March prices already exceed the projected seasonal peak for May based on the November price level. Cull cow prices may stay at \$100/cwt. or higher thorough the normal May peak before dropping slightly this summer. If herd expansion plans move forward on adequate or better forage conditions, cull cow prices will likely stay above \$90/cwt. for the remainder of the year and average in the mid \$90s or higher.

Slaughter cow prices are being supported by strength from both supply and demand. Wholesale cow boxed beef prices have increased 14 percent since the beginning of the year largely on ground beef demand. Wholesale 90 percent lean boneless beef trimmings prices have jumped 17 percent since January 1. For the year to date, cow slaughter is down 10.6 percent with dairy cow slaughter down nearly 12 percent and beef cow slaughter down over 9 percent. The year over year decreases in dairy cow slaughter are expected to moderate but beef cow slaughter may be down 10-15 percent for the year leading to a total cow slaughter decline of 6-9 percent compared to 2013 levels. This will continue to support slaughter cow prices through 2014.

Are the Bulls Ready for the Spring Breeding Season

Glenn Selk, Oklahoma State University Emeritus Extension Animal Scientist

The spring breeding season is less than two months away. If you have not assessed your bull battery recently, time is running out. Contact your local veterinarian and make arrangements to see that your bulls of all ages pass a breeding soundness exam. Ask your veterinarian about the need for a trichomoniasis test. If the bulls' feet need to be trimmed, this would be an excellent opportunity to get that done as well.

Bulls that do not pass a breeding soundness exam will need to be replaced before the start of breeding. Purchase the replacement from a production sale or nearby seedstock producer as soon as possible. It is advantageous to move the bull to his new environment several weeks before breeding. If the bull has been consuming a high energy, grain-based diet, this will give you time to gradually reduce the grain and increase the forage intake. The rumen will take some time to adjust to the forage-based diet that he will consume during the breeding season. A very sudden, steep decline in energy intake could cause a decrease in bull fertility. Therefore a gradual change over several weeks will produce more positive results.

Bulls that will be placed together in multi-sire breeding pastures should be penned together for several weeks before the breeding season begins. Bulls WILL establish a social order. This needs to be settled before the first of the breeding season. We would prefer that cows are getting bred during the first part of the breeding season rather than bulls fighting each other.

Bulls are a sizeable investment in most cow-calf operations. Common sense management before the breeding season can give the best possible return on that investment.

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