

COW/CALF CORNER

The Newsletter

From the Oklahoma Cooperative Extension Service

March 31, 2014

In this Issue:

Late spring adds to cattle management and marketing challenges

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

Comparing weaning dates for fall calving cows

Glenn Selk, Oklahoma State University Emeritus Extension Animal Scientist

Late spring adds to cattle management and marketing challenges

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

A myriad of factors are at work in cattle and beef markets now. Spring has arrived according to the calendar but it isn't obvious yet in many parts of the country. Cold weather continues to delay grass green-up in many regions in a fashion that is reminiscent of last year. In some parts of the country it is not only cold but wet. Other parts of the country are cold and dry and getting drier in some cases. Oklahoma captures this contrast well with parts of the state that have received abundant moisture recently while persistent drought in other areas is moving into the fourth year. Warm weather will produce forage growth in wet areas but in the dry regions the clock is ticking on spring forage prospects. Moisture is critically needed in drought regions in the next 30-60 days. Hay supplies on December 1, 2013 were up sharply from 2012 record low levels in the country and in most individual regions as well. However, the extended cold spring has resulted in increased hay use in many areas and carryover hay supplies will be minimal in some areas.

Record feeder cattle prices this spring may increase seasonally a bit more into midyear. However, grazing demand for summer stockers may be limited soon if drought conditions persist or expand. Heifer and breeding cow markets have strengthened thus far in the year but are also contingent on forage conditions. Herd expansion plans are on the ground in many regions but the ability to follow through with those plans is critically dependent on moisture in the next few weeks. If drought conditions abate in dry areas considerable more female demand may yet be revealed this spring.

At the same time, boxed beef markets appear to have peaked on the second rollercoaster top this year. Wholesale beef values dropped sharply last week, putting packer margins back in the red against stable record fed cattle prices. Fed cattle prices may be at the spring peak but are expected to decrease more slowly through April and into May/June peaks in fed cattle

marketings. Feedlot margins will also be squeezed over the next few weeks with building seasonal fed cattle price pressure. Record high feeder cattle prices in recent months will keep feedlot breakevens high in the coming months. Though beef demand appears to be holding strong thus far, there is considerable uncertainty about how it will hold up through the middle of the year as more of the higher wholesale beef values get passed through to retail.

The dramatic increase in hog and pork prices recently is impacting the beef sector as well. The pork industry is full of uncertainty about the impacts of PEDv in the next two quarters and perhaps beyond. The latest USDA Hog and Pig report did not indicate nearly as much decrease in hog numbers as analysts expected and therefore adds to the uncertainty. Beef and pork are supporting each other in wholesale markets with higher prices at the current time. It is not known at this time how much reduction in pork supply is ahead and for how long. More importantly, though disease control efforts have not been successful so far, it is likely that the disease will be controlled and when it is there could be a big rebound in pork production very quickly. It won't happen before the fourth quarter and perhaps not in 2014 but it is something that beef producers keep an eye on in the coming weeks and months.

Comparing weaning dates for fall calving cows

Glenn Selk, Oklahoma State University Emeritus Extension Animal Scientist

Oklahoma State University animal scientists evaluated weaning dates of 158 Angus fall-calving cows over a 4 year period. Cows were allowed to nurse their calves for about 210 days (April Weaning) or 300 days (July Weaning). All cows calved in September or October and were weaned in mid-April (April Wean) or mid-July (July Wean). April-weaned young cows had greater re-breeding percentages (98.4% versus 89.3%) than July weaned young cows. However, there was no advantage in the re-breeding performance of April-weaned mature cows compared to July-weaned mature cows (90.2% versus 96.7%). April-weaned cows were heavier and fleshier at calving than July weaned cows.

Calves weaned in July were 90 days older and 204 pounds heavier (642 lb versus 438 lb) when weaned than were the April-weaned calves. The April-weaned calves were allowed to graze native pasture after weaning and weighed 607 pounds in mid July. For most years, it appears more advantageous to delay weaning of calves born to cows 4 years or older to July while maintaining April weaning for cows 3 years of age or younger. On-going drought conditions in some areas of the Southern Plains very well may suggest the earlier weaning date could be considered for all ages of cows. Source: Hudson and co-workers. Journal of Anim. Sci. 2010 vol. 88:1577.

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.