

# COW/CALF CORNER

The Newsletter

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## **Summer meat demand**

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

Meat prices are higher in the latest retail prices released for the month of June. The All Fresh retail beef price was \$6.114/lb., up \$0.059 cents from May and up \$0.606/lb. from one year ago. The June retail pork price was \$3.703/lb., up \$0.007/lb. from last month but \$0.413/lb. lower than June of 2014. The retail broiler composite price was \$1.987/lb., \$0.055/lb. higher than May and up \$0.038/lb. year over year.

Pork and broiler retail prices increased in June despite continued increases in supplies for both meats. High beef prices may be providing more evident support for the other meats. However, retail beef prices remain record high relative to pork and broiler prices. In June, retail beef prices were 3.1 times retail broiler prices, continuing a ratio above 3.0 that first occurred in December 2014. Both retail beef and broiler prices climbed about 6 cents per lb. from May to June. Wholesale poultry breast meat and leg prices have continued to decline through June and into July, while wing prices have been mostly steady since May. Weak broiler exports, down 8.6 percent for the year to date, due to the strong dollar, avian influenza and the Russian poultry ban, are contributing to soft broiler wholesale values.

Retail beef prices were a record 1.65 times higher than retail pork prices in June, with retail beef prices up about 6 cents/lb. and retail pork price up less than a penny from May. Lower pork prices, in the face of sharply increased pork supplies, appear to be stabilizing with pork demand responding to lower pork prices. Wholesale pork loin prices recovered some from mid-June lows into July while ham values eroded through June and into July. Wholesale pork belly

prices have increased steadily for several weeks, climbing over 90 percent from late February lows. Wholesale pork spare rib prices have been above year ago levels since late April, likely driven by strong export demand. Overall pork exports are down, particularly to China, but remain strong to South Korea, where spare ribs are a popular item.

Demand pressures are building, at least seasonally, in the beef market. Though June retail All Fresh prices were higher, Choice retail beef prices were \$640.6/ lb., down slightly from \$6.412/lb. in May but still \$0.489/lb. higher compared to June, 2014. The wholesale Choice-Select spread has narrowed from a peak in May through June and into July. The spread is following a pattern similar to last year and is more or less seasonal but somewhat exaggerated with Choice values falling sharply relative to Select values. This partly reflects supply conditions with relatively abundant Choice beef supplies due to high Choice grading percentages and also likely reflects relatively stronger Select demand compared to the more expensive Choice beef.

Beef demand is caught in the summer doldrums with lots of high temperatures curtailing grilling and abundant pork and poultry supplies catching most of the retail featuring attention. Wholesale ribeye prices have dropped below last year after tracking well above year ago levels for much of the year. Other middle meats, e.g. loin strips, have dropped sharply off seasonal peaks in May and have fallen below year ago levels. Wholesale values for chucks and rounds are generally holding above year ago levels. Wholesale values for lean processing beef are holding steady but the price of 50 percent trim has eroded sharply since April reflecting both weaker ground beef demand and abundant trim supplies due to heavy carcass weights and increased fat trim on steer and heifer carcasses. The ability of beef to continue holding record price levels relative to pork and poultry will depend, not only on prices of those competing meats, but also continued growth in the U.S. economy, consumer income impacts of things like gasoline prices and the strength of foreign demand for U.S. beef.

## **2015 Southern Plains Beef Symposium**

Leland McDaniel, Carter County OSU Extension Director and Agriculture Educator

Mid-summer is upon us, the Oklahoma heat has set in and, although some will still be baling hay, much of the abundant hay crop is “in the barn”. That means that it is time, once again, for the Southern Plains Beef Symposium. This will be the 25th Anniversary of the Southern Plains Beef Symposium held on August 8 and The Ardmore Convention Center, and it is recognized as the preeminent one-day beef producer meeting in the country.

There is an old adage, during times of abnormally high cattle markets, that “there is more room at the bottom than there is at the top”. The drought, and its consequential sell-down of cows, recreational land ownership, development, and the loss of grazing acres to corn and other crops has stood that adage on its ears for the last few years. So, what does the future hold? Can we or will we rebuild our national cowherd numbers? How much downward pressure will the expected increase in cowherd inventory have on cattle markets? Will beef, in the next 25 years, continue to be a staple food or will it become a luxury item, such as lobster or crab? These and other

related questions are the foundation for the theme of this year's Southern Plains Beef Symposium.

For the program agenda, we have assembled a diverse and well-respected group of speakers to address the questions posed above, and much more.

- *Looking for Value During Hard Times* – Brad Morgan, Stillwater, Ok.; Sr. Director of Protein, Performance Food Group
- *West Texas A&M PrimeOne; What are we Doing and Where Are We?* – Ty Lawrence, Canyon, Tx.; Assoc. Prof. Animal Science, West Texas A&M University
- *Grass-fed Beef; Emerging Market or Niche Market?* – Charlie Bradbury, Huntsville, Tx.; Regional Beef Division, JBS
- *Consumer Trends that Affect Your Bottom Line* – Jayson Lusk, Willard Sparks Endowed Chair, Ag. Econ., Oklahoma State University
- *Calf Implant Update and Industry Trends* – David Lalman, Extension Beef Cattle Specialist; Oklahoma State University
- *How Long Will Beef's Strong Market Position Last?* – Jim Robb, Fort Collins, Co.; Director, Livestock Marketing Information Center

As always, there will be an outstanding trade show of approximately 50 booths, representing all segments of the industry, for you to visit. There will be hourly door-prize drawings, and Grand Prize drawings for \$100, \$250, and \$500 cash at the end of the program. All paid participants will be treated to a smoked Prime Rib dinner, and complimentary refreshments and boot shines will be available throughout the day. For more information and to send your registration in, please visit <http://www.southernplainsbeefsymposium.org/Index.html>. We look forward to seeing you there and bring a friend or neighbor!

## **Blue-Green algae can threaten livestock**

Dr. Josh Payne, State Extension Poultry Specialist, Oklahoma State University

Cyanobacteria (blue-green algae) are microscopic organisms that can be found in all types of water including farm ponds. Being photosynthetic, they utilize sunlight to support life. For most of the year, the concentrations are low and the organism is homogeneously suspended in the water. However, during hot, dry summertime conditions organisms can rapidly multiply resulting in high concentrations called blooms. The blooms may range in color from blue to bright green, brown or red and may resemble paint floating on the water or pea soup. Blooms are more common in warm, slow moving water that is nutrient enriched. Storm events followed by prolonged periods of hot temperatures can often trigger a bloom.

Some cyanobacteria can produce toxins that can be harmful to livestock affecting the nervous system and liver. Toxins affecting the nervous system can cause muscle tremors, difficulty breathing, convulsions and death while toxins affecting the liver can cause weakness, pale mucous membranes, bloody diarrhea and death. The wind can actually blow the algae bloom to one side of the water source, thus concentrating it. Dead animals may be observed near these concentrated areas.



The Oklahoma Animal Disease Diagnostic Laboratory can help identify the algae by sending them a pint container of the suspect water. The sample should be submitted in an unbreakable container such as a plastic water bottle. It should not be frozen but if it is shipped, provisions should be taken to keep it cool and out of sunlight. Since the blooms will deteriorate, a fresh sample is best. The fee for this test is \$12.00. The lab can be contacted at 405-744-6623 for more information.

Prevention and monitoring are key to reduce livestock exposure to blue green algae. Below are some tips to consider:

- Check livestock ponds for algae blooms in hot weather.
- Fence off downwind drinking areas if blue green algae is present.
- Pump water from deep within the pond to a nearby livestock tank.
- Use other water sources, if available, when temperatures rise to high levels and algae blooms are observed.
- Reduce nutrient inputs to ponds from runoff by applying fertilizer at least 100 ft away from the pond edge. Vegetative buffers on the upslope of ponds work well to trap sediment and nutrients.
- Restrict livestock from having full access to water sources by fencing and installing limited access watering points or freeze proof tanks, thus limiting manure nutrient inputs.
- Chemical treatment of the pond may kill the blue-green algae but any toxins contained in the cells will be released all at once. Therefore, it is best to reduce exposure and let the bloom dissipate on its own.

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