

COW/CALF CORNER

The Newsletter

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Retail beef prices; Cattle on Feed and more USDA data

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An assortment of new data was released recently. Choice retail beef prices for July decreased for the second month in a row, dropping 4.1 cents per pound from June to \$636.5/cwt. Choice retail beef prices peaked in May at \$641.2/cwt. All-Fresh retail beef prices, however, continued to increase, setting a new record in July at \$616.3/cwt., up 5.2 cents per pound from June. The July spread between the Choice and All-Fresh retail price at 20.2 cents per pound is the narrowest since June of 2012. The July All-Fresh retail price is 96.8 percent of the Choice retail price, a new record percentage and compares to the five year average of 93.1 percent. The percent Choice grading of cattle is high resulting in a relatively large supply of Choice to Select beef, likely the cause of the narrow spread between Choice and All-Fresh retail beef prices.

The August Cattle on Feed report pegged July placements at 99 percent of the low level of one year ago. July marketings were 97 percent of last year. Both placements and marketings in July were at the lowest July levels since 1995. Though the larger feeder supply indicated by the July inventory report will result in increased feedlot placements in the coming months, the flow of cattle through feedlots at the current time continues to be low. This is reflected in year-to-date cattle slaughter, down 7.0 percent compared to last year. The August 1 cattle on-feed inventory was 102 percent of last year as a result of continued slowdown of cattle in the feedlot, resulting in increased slaughter and carcass weights. Average cattle carcass weights are currently 13 pounds heavier than this time last year and partially offset reduced cattle slaughter resulting in year-to-date total beef production down 4.7 percent from one year ago.

The August Cold Storage report showed that beef stocks in cold storage were down from June but were 24 percent above year ago levels. This is a continuation of the large beef stocks that began building about one year ago after beef stocks had been drawn to very low levels in early

2014. The current level is less than five percent above the five year average for July. The relatively large level of cold storage inventories most likely reflects the continued large imports of processing beef, led by the 65 percent year over year increase in imports of Australian beef so far this year.

On August 20, USDA issued the U.S. and Canadian Cattle report which shows July 1 cattle inventories for the U.S. and Canada combined. The report highlights the contrast between the cattle industry situations in Canada and the U.S. The July 1 U.S. cattle inventory numbers (previously released) confirm that significant herd expansion is underway in the U.S. In contrast, July 1 Canadian cattle inventories indicate continued herd liquidation. Canadian beef cow inventories are 97 percent of one year ago and beef replacement heifers are 99 percent of last year. The July 1 all cattle inventory in Canada was 13.0 million head, down 2 percent year over year. Canadian cattle inventories have decreased an average of 2.6 percent annually the last ten years from the most recent peak of 16.9 million head in 2005. Earlier indications of the beginning of herd expansion in Canada may be being preempted by severe drought this summer in the Canadian Prairie Provinces.

Testing hay can save supplement dollars

Glenn Selk, Oklahoma State University Emeritus Extension Animal Scientist

During a recent drive in Northeast Oklahoma, the abundance of hay in big round bales was quite evident. Producers are glad to have adequate supplies of hay as fall and winter approaches. Cattle producers must remember that quantity and quality of hay are independent characteristics of their hay crop.

Forage analysis can be a useful tool to remove some of the mystery concerning the hay that producers will feed this winter. Testing the grass hays this year for protein and energy content will help the producer design winter supplementation programs most appropriate for the forage supply that is available. Any of the potential nitrate accumulating hays should be tested for nitrate concentration.

Forage quality has two important benefits to cows or heifers. First higher quality forages contain larger concentrations of important nutrients so animals consuming these forages should be more likely to meet their nutrient needs from the forages. Secondly, and just as important, animals can consume a larger quantity of higher quality forages. Higher quality forages are fermented more rapidly in the rumen leaving a void that the animal can fill with additional forage. Consequently, forage intake increases. For example, low quality forages (below about 6% crude protein) will be consumed at about 1.5% of body weight (on a dry matter basis) per day. Higher quality grass hays (above 8% crude protein) may be consumed at about 2.0% of body weight. Excellent forages, such as good alfalfa, silages, or green pasture may be consumed at the rate of 2.5% of body weight per day. The combination of increased nutrient content AND increased forage intake makes high quality forage very valuable to the animal and the producer.

The value of forage testing can best be illustrated by comparing the supplement needed to meet the nutrient needs of cows in the winter. Assume we are feeding hay to a 1200 pound spring-calving cow in late gestation. She needs 1.9 pounds of crude protein to meet her needs and that of the growing fetus. If she consumes 2.0% of her body weight in a low quality grass hay (4.0% Crude Protein) she will receive 0.96 pounds of protein from the hay leaving a deficiency of 0.94 pounds of protein needed from the supplement. To meet her protein needs with a 30% crude protein supplement would require 3.13 pounds of supplement each day. However, if the same cow was consuming a higher quality grass hay (7.0% Crude Protein), then she receives 1.68 pounds of protein from the hay and must be given enough supplement to meet the 0.22 pounds that is lacking. Now, to meet her needs the cow only needs 0.73 pounds of the same supplement per day. Because of the difference in hay quality the supplement needs vary by 4 fold!

There are several good methods of sampling hay for forage analysis. Most nutritionists would prefer to use a mechanical coring probe made specifically for this purpose. The coring probe is usually a stainless steel tube with a serrated, cutting edge. It is 1 inch in diameter and is designed to fit on a 1/2 inch drill or brace. Cordless drills make these tools quite mobile so that the hay bales to be tested do not have to be hauled to be near an electrical outlet. The hay samples are placed in paper or plastic bags for transfer to a forage testing laboratory. Cores are taken from several bales at random to obtain a representative sample to be analyzed.

Grab samples can also be obtained and tested. To receive the best information, grab several samples by hand from about 6 inches into the open side of the bale or the middle third of a small round bale. Place all of the sample in the bag. Do not discard weeds or stems, just because they look undesirable. They are still part of the hay that you are offering to the livestock. Be certain to label the forage samples accurately and immediately, in order for the laboratory analysis to be correctly assigned to the proper hay piles or bales. Obviously the more samples that are sent to the laboratory for analysis, the more information can be gained. Just as obvious is the fact that as the number of samples increase, the cost of forage testing increases.

Samples can be taken to the [OSU County Extension office](#) near you and then sent to the [OSU Soil, Water, and Forage Testing laboratory](#) in Agricultural Hall on the campus at Stillwater. There are other commercial laboratories available in the Southern plains area that also do an excellent job of forage analysis.

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