

Missouri Beef Cow Numbers Dwindle In 2008



**GLENN GRIMES AND
RON PLAIN**
Agricultural Economists,
University of Missouri

Missouri dropped to third in state ranking as to beef cow numbers behind Texas and Oklahoma on January 1, 2009.

The number of beef cows in Missouri on January 1 was 1,992,000 head down 3.8 percent from the same date in 2008. However, the number of heifers being held for beef cow replacements was up 6.7 percent where the U.S. beef heifers for cow replacements was down 2.1 percent on January 1 compared to a year earlier.

Missouri producers are backgrounding more cattle due to the narrowing of the price differential between lightweight cattle and heavier weight feeders. The number of steers weighing over 500 pounds on January 1 was nearly 16 percent larger than 12 months earlier.

When trade of fed cattle last week was complete, live steers in the negotiated trade were \$1.72 per cwt above a week earlier and \$1.43 above the weighted average steer price through Thursday's trade. Certainly cattle feeders need a higher price but wholesale prices do not support higher prices than are being paid.

Wholesale beef prices this Friday morning showed Choice beef at \$135.76 per cwt down \$1.22 per cwt from a week earlier. Select beef at \$134.48 per cwt was up \$0.46 per cwt from seven days earlier.

There are some observers who believed the number of beef cows in the U.S. are overestimated by a substantial margin. If they are correct, we do not need to reduce the cow herd any more. These people believe the reduction in the cow herd has been covered up by the speedup in marketings of steers and heifers by marketing them at a younger age as technology has permitted cattle to reach slaughter weights quicker.

We believe this is possible but USDA uses accepted sampling procedures to develop their estimates and have substantial more resources to get the number than anyone else. Therefore, one is taking substantial risks to bet against the USDA estimates. Also, for the 2009 data USDA had the benefits of the 2007 Ag Census to benchmark the estimates.

This week at Oklahoma City feeder steers over 700 pounds and heifers over 600 pounds were steady to \$1 per cwt higher and lighter weight stocker cattle and calves were \$1-3 per cwt higher than a week earlier.

The prices by weight group for medium and large frame Number One steers were: 400-500 pounds at \$110.25-125 per cwt, 500-600 pounds at \$103-114.50 per cwt, 600-700 pounds at \$96-107 per cwt, 700-800 pounds \$92-98 per cwt and 800-1,000 pounds at \$86.75-97.25 per cwt.

The weighted average live fed cattle price for the five-market area through Thursday at \$81.64 per cwt was up \$0.64 per cwt from a week earlier. The negotiated carcass price for the five-market area through Thursday at \$130.83 per cwt was down \$0.24 per cwt from seven days earlier.

Slaughter this week under Federal Inspection was estimated at 614 thousand head, down -1.6 percent from a year earlier. Δ



Link Directly To: **BRANDT**



Link Directly To: **SYNGENTA**