Forage and Future U.S. Beef Production

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January 1 U.S. Cattle Inventory 1876-2016
2016 Inventory 91,988,000

U.S. Beef Cow Inventory 1955-2015

Beef Production and Marketing System

Cattle Production Variability

What will be produced?
How much to produce?
What resources will be used to produce?
Where will it be produced?

Forage

More << Grain >> Less

Less < Forage > More

Grain

Cow-Calf
Stocker
Feedlot
**Land Resources**

Cropland Including:
- Hay
- Annual Forage Crops
- Crop Aftermath

Introduced Pasture

Rangeland

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**U.S. Land Use, 2012**

*Million Acres*

- Total: 1,944 Million Acres

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**U.S. Crop Production**

2002 and 2012 Census of Ag

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**Corn Price, Crop Year Average, 1960-2016**

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**Land in Farms**

Census of Agriculture

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**NATIONAL CORN ACREAGE**

Planted Acres
U.S. Pasture Acreage
1,000 Acres

Pastured Cropland, 1,000 Acres

Total Pasture, 1,000 Acres

Total Pasture + Range, 1,000 Acres

Total Pasture/Beef Cow, Acres

Source: Census of Agriculture, USDA, calculations by Derrell Peel
Feedlot Days on Feed
12 month MA, Kansas

Feedlot Cost of Gain
Kansas, Monthly, $/cwt

KANSAS FEEDLOT CLOSEOUTS
Pounds of Feed (Dry Basis)
Per Pound of Gain, Steers

Estimated Concentrate Feed per Pound of Meat Produced
• Broilers 1.80
• Hogs 2.90
• Beef (by feedlot placement weight)
  - 550 lb. 3.50
  - 750 lb. 3.02
  - 1000 lb. 2.39

Steer Carcass Weight
Federally Inspected

Dressed Weights
12 month Moving Average, Federally Inspected
**BEEF PRODUCTION vs. BEEF COW INVENTORY**

Inventory on January 1, U.S.

Livestock Marketing Information Center

Data Source: USDA-NASS, Compiled & Analysis by LMIC and Derrell Peel 2016-2017 Forecast

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**Beef Industry Opportunities and Challenges**

- Ability to use forage implies an important role in meeting global food demand
- Volatile grain prices means that the beef industry must adjust production systems
- Beef industry must take advantage of flexibility in production to maintain competitiveness

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**U.S. CATTLE AND BEEF SITUATION**

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**FED, FEEDER AND CALF PRICES**

Weekly

Livestock Marketing Information Center

Data Source: USDA-NASS, Compiled & Analysis by LMIC and Derrell Peel 2016-2017 Forecast

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**BEEF PRODUCTION vs. BEEF COW INVENTORY**

Inventory on January 1, U.S.

Livestock Marketing Information Center

Data Source: USDA-NASS, Compiled & Analysis by LMIC and Derrell Peel 2016-2017 Forecast

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**Beef Cow Inventory by Cycle**

U.S., January 1

Livestock Marketing Information Center

Data Source: USDA-NASS, Compiled & Analysis by LMIC
Cattle Slaughter
Federally Inspected, 1000 Head

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<tr>
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<th>2014</th>
<th>2015</th>
<th>% Change 2014 to 2015</th>
<th>2016 % Change YTD*</th>
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<tr>
<td>Steers</td>
<td>15378</td>
<td>15332</td>
<td>-0.3</td>
<td>+7.3</td>
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<td>Heifers</td>
<td>8378</td>
<td>7350</td>
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<td>Dairy Cows</td>
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<td>Beef Cows</td>
<td>2565</td>
<td>2236</td>
<td>-12.8</td>
<td>+7.9</td>
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<tr>
<td>Bulls</td>
<td>548</td>
<td>463</td>
<td>-15.5</td>
<td>+3.9</td>
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<td>Total</td>
<td>29684</td>
<td>28295</td>
<td>-4.7</td>
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*Data through July 9, 2016

Meat Production and Consumption

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<tr>
<td></td>
<td>Million lbs.</td>
<td>Million lbs.</td>
<td>% Change</td>
<td>Million lbs.</td>
<td>% Change</td>
<td>Million lbs.</td>
<td>% Change</td>
<td>Retail lbs.</td>
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<td>Broilers</td>
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Current Cattle Market Summary

- Negatives
  - Increased cattle numbers and beef supplies
  - Ample competing meats
  - Strong dollar
  - Uncertainty
    - Futures, exchange rates, political, trade
- Positives
  - Cattle and beef market balance
  - Feedlot situation
  - Cattle and beef trade
  - Beef demand
Cow-Calf Corner

The Weekly Email Newsletter
From OSU Animal Science and Agricultural Economics

Send Email to
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