In The Cattle Markets

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Census Observations

The *2017 Census of Agriculture* was released April 11. While the lag between collecting and reporting the information seems like a long time, the breadth and depth of information is substantial. Here are some early observations related to cattle at the national level. State- and county-level observations may be relevant also. Often the statistics are compared to the 2012 Census, which occurred while cattle inventories were lower and there were drought conditions in different parts of the U.S. The statistics and maps are available at: https://www.nass.usda.gov/Publications/AgCensus/2017/

There were 882,692 operations across the U.S. with cattle in 2017, and the total inventory was 93.6 million head. The inventory maps show where the cattle are located and serve as good reference pieces for assessing weather impacts on pastures, feed supplies and production. Cattle inventories are prevalent in central Florida, central Kentucky, southeast Pennsylvania, southern Idaho, central California, and various areas throughout the plains states. The long-run shift toward fewer yet larger operations continues. The number of operations fell from 2012, while the inventory increased. Sales are another interesting category summarized in the Census. Across the U.S. there were 711,827 operations that sold cattle and calves in 2017. The total sales volume was $77.2 billion, up from the $76.4 billion in 2012. In a breakdown by concentration of sales, 11,328 farms accounted for half of the cattle and calves sales volume in 2017.

There are some unique insights into cattle on feed in the Census. The total on feed in 2017 was 15.0 million head, up from 2012. There were 25,776 feedlots, down from 2012. The Census gives a breakdown of inventory and sales using different head categories than in *Cattle on Feed* reports. There was an increase in the number of farms with inventory levels of 40-99 head and of categories with 500 or more head. There was a corresponding increase in feedlots marketing 500 to 4,999 head of fed cattle in 2017. In 2017, 1,070 farms reported selling 9.4 million head of custom fed cattle, both increases from 2012. The custom fed total for 2017 was 38 percent of all cattle on feed sold.

An area that does not get much publicity is the breakdown by North American Industry Classification System or NAICS. The primary codes of interest would be 1) beef cattle ranching and farming and 2) cattle feedlots. Farms with the majority of revenue from a given category code are tallied. For the U.S., beef cattle farms make up 31.4 percent of all farms while feedlots only make up 0.7 percent of all farms. Farms classified as feedlots are more likely to have hired farm labor compared to beef cattle operations. Feedlots are also more likely to have higher levels of interest expense compared to beef cattle operations.

The Markets

In the cash market, fed cattle traded higher and feeder cattle traded lower for the week. Corn was steady for the week while DDGS was lower.

Data Source: USDA-AMS Market News		**Week of 4/12/19**	**Week of 4/5/19**	**Week of 4/13/18**
5-Area Fed Steer	all grades, live weight, $/cwt	$126.19	$125.30	$119.49
	all grades, dressed weight, $/cwt	$204.91	$204.41	$189.97
Boxed Beef	Choice Price, 600-900 lb., $/cwt	$228.72	$226.48	$213.34
	Choice-Select Spread, $/cwt	$8.67	$7.39	$12.21
700-800 lb. Feeder Steer	Montana 3-market, $/cwt	$152.86	$148.05	--
	Nebraska 7-market, $/cwt	$155.60	$156.67	$151.09
	Oklahoma 8-market, $/cwt	$149.18	$148.63	$146.10
500-600 lb. Feeder Steer	Montana 3-market, $/cwt	$189.27	$178.57	--
	Nebraska 7-market, $/cwt	$187.15	$187.86	$187.98
	Oklahoma 8-market, $/cwt	$179.77	$181.28	$169.19
Feed Grains	Corn, Omaha, NE, $/bu (Thursday)	$3.56	$3.57	$3.71
	DDGS, Nebraska, $/ton	$153.50	$161.50	$160.00