USDA reports dramatic decline in cattle placed on feed in September

By Rita Jane Gabbett on 10/22/2012

USDA reported on Friday that 2 million cattle were placed on feed in large feedlots during September, down 19 percent from a year ago. It was the lowest cattle placements during September since the series began in 1996 and below market expectations.

On average, market analysts were expecting a 15 percent drop in placements, according to a pre-report survey by Dow Jones.

USDA’s monthly Cattle on Feed report showed cattle and calves on feed for slaughter market in the United States for feedlots with capacity of 1,000 or more head totaled 11 million head on Oct. 1, down 3 percent from a year ago. Analysts were expecting, on average, a 2.2 percent decline.

The inventory included 6.96 million steers and steer calves, up slightly from the previous year. This group accounted for 63 percent of the total inventory. Heifers and heifer calves accounted for 3.97 million head, down 8 percent from 2011.

During September there were 515,000 cattle and calves weighing less than 600 pounds placed. There were 355,555 placed at 600-699 pounds and 444,000 placed at 700-799 pounds. Placements at 800 pounds and greater were 690,000.

Marketing of fed cattle during September totaled 1.6 million, 12 percent below 2011. This is the second lowest cattle marketing for the month of September since the series began in 1996. Analysts were expecting on average about a 10.2 percent decline from a year ago.

Other disappearance totaled 64,000 during September. 14 percent below 2011.