

Cattle on feed down 5 percent !!

By [Michael Fielding](#) on 12/23/2013

Cattle and calves on feed for slaughter market in the United States for feedlots with capacity of 1,000 or more head totaled 10.7 million head on Dec. 1, according to USDA's latest Cattle on Feed report.

The inventory was 5 percent below Dec. 1, 2012 the second lowest inventory for Dec. 1 since the series began in 1996. That figure was on par with the estimate by CME Group, which had estimated that cattle on feed on Dec. 1 would be about 95.4 percent compared to the same period a year ago.

"Declining cow values in 2008 and 2009 reflected the first big surge in corn prices to \$5 and beyond and the resulting reduction in calf and feeder prices," economists Steve Meyer and Len Steiner wrote in their Dec. 19 *Daily Livestock Report*. "Higher feed prices raised the direct costs of carrying beef cows and caused the conversion of some pasture lands to grain production. Both of those increased cow costs and dampened the demand for replacement cows."

Placements in feedlots during November totaled 1.88 million, 3 percent below the same period in 2012. Net placements were 1.81 million head. During November, placements of cattle and calves weighing less than 600 pounds were 585,000, 600-699 pounds were 510,000, 700-799 pounds were 362,000, and 800 pounds and greater were 425,000.

Marketings of fed cattle during November totaled 1.68 million, 5 percent below the same period in 2012. Other disappearance totaled 73,000 during November, 17 percent below 2012.