

By [Rita Jane Gabbett](#) on 12/26/2013

A number of positive factors are impacting the cattle industry at the close of 2013 and expected into 2014, according to USDA.

In its latest Livestock, Dairy and Poultry Outlook report, the agency noted declining feed costs and improving pastures are allowing producers who graze livestock more options.

As of early December, monthly average corn prices had dropped by almost a third from August's monthly average price. The corn price decline is due to good corn yields, abundant supplies, and developments toward relaxing the Renewable Fuels Standard.

Further, thanks to some timely precipitation, the majority of the winter wheat crop in Texas, Oklahoma, and Kansas--particularly the grazing areas-- appears to be in mostly fair to excellent condition.

Precipitation now and through the winter will also benefit pastures next spring, enhancing the outlook for summer grazing in 2014, USDA predicted.

By now, the majority of cattle turned out on wheat pasture should have become acclimated and/or recovered from illnesses associated with weaning, transportation, and other abrupt changes in their lives. These factors--combined with a good start for the winter wheat crop--should mean that wheat pasture cattle are off to a good start this winter.

If conditions for the wheat crop continue to improve, or at least do not deteriorate, feedlots could experience an influx of large wheat-pasture feeder cattle next March. These cattle would likely be market-ready during August-September.

However, this influx of feeder cattle into feedlots could be somewhat mitigated or even offset if replacement heifers account for significant proportions of cattle on wheat pasture. Winter weather could also affect positively (mild weather) or negatively (cold, wet weather) the gains cattle make, whether on wheat pasture or while in feedyards.