

FORAGE AND CATTLE MARKET OUTLOOK

Livestock and Forage Grower Update
March 12, 2025

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Director
Livestock Marketing Information Center
Website: www.lmic.info



LMIC
**Livestock Marketing
Information Center**

Mission Statement: Provide Timely and Comprehensive Livestock Marketing Resources Through Cooperation

Land Grant Universities (29):



USDA Agencies (8):

ERS
APHIS
GIPSA
NASS
WAOB
AMS
FAS
FCA

Associate Members (15):

AFBF
ASI
NCBA
NPB
NPPC
CME Group
Canadian Consortium
CoBank
TCFA
TCU
AgWest Farm Credit
Daily Livestock Report (DLR)
Agri-Food and Agriculture Canada



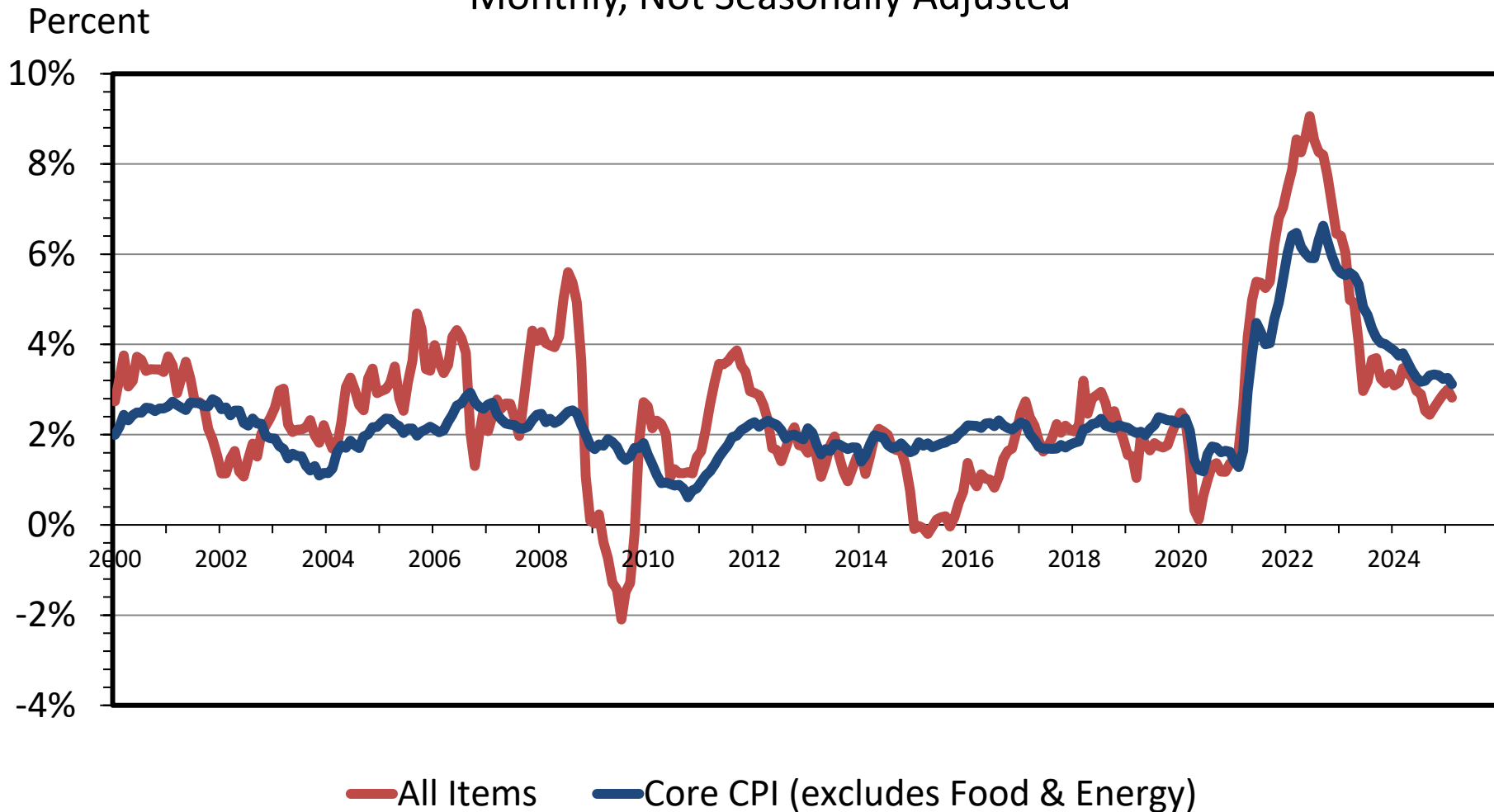
OUTLINE

- **Economy**
- **Forage and Crops**
- **Cattle & Beef Outlook**

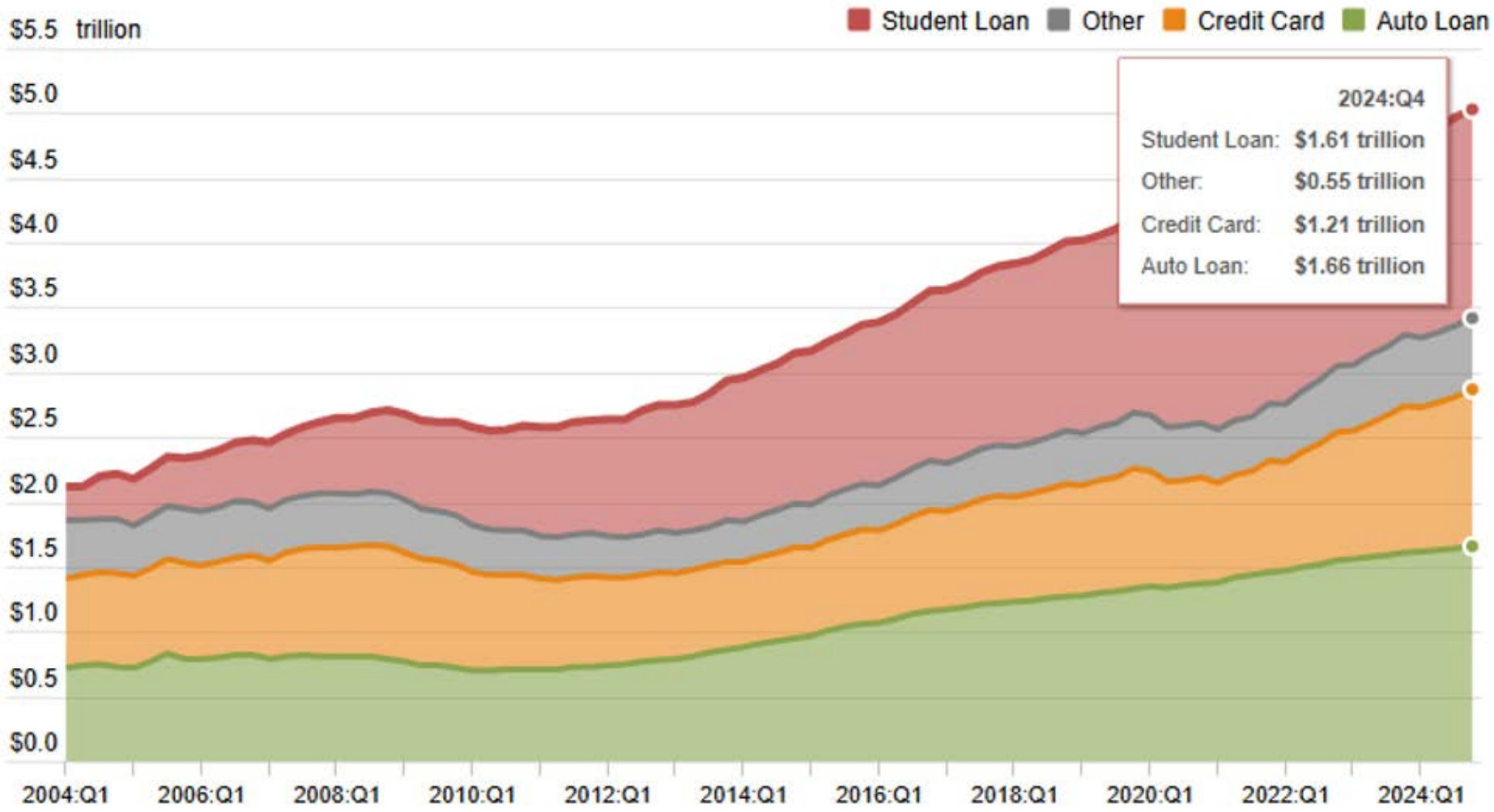


CONSUMER PRICE INDEX

Monthly, Not Seasonally Adjusted



Non-Housing Debt Balance



Source: FRBNY Consumer Credit Panel/Equifax

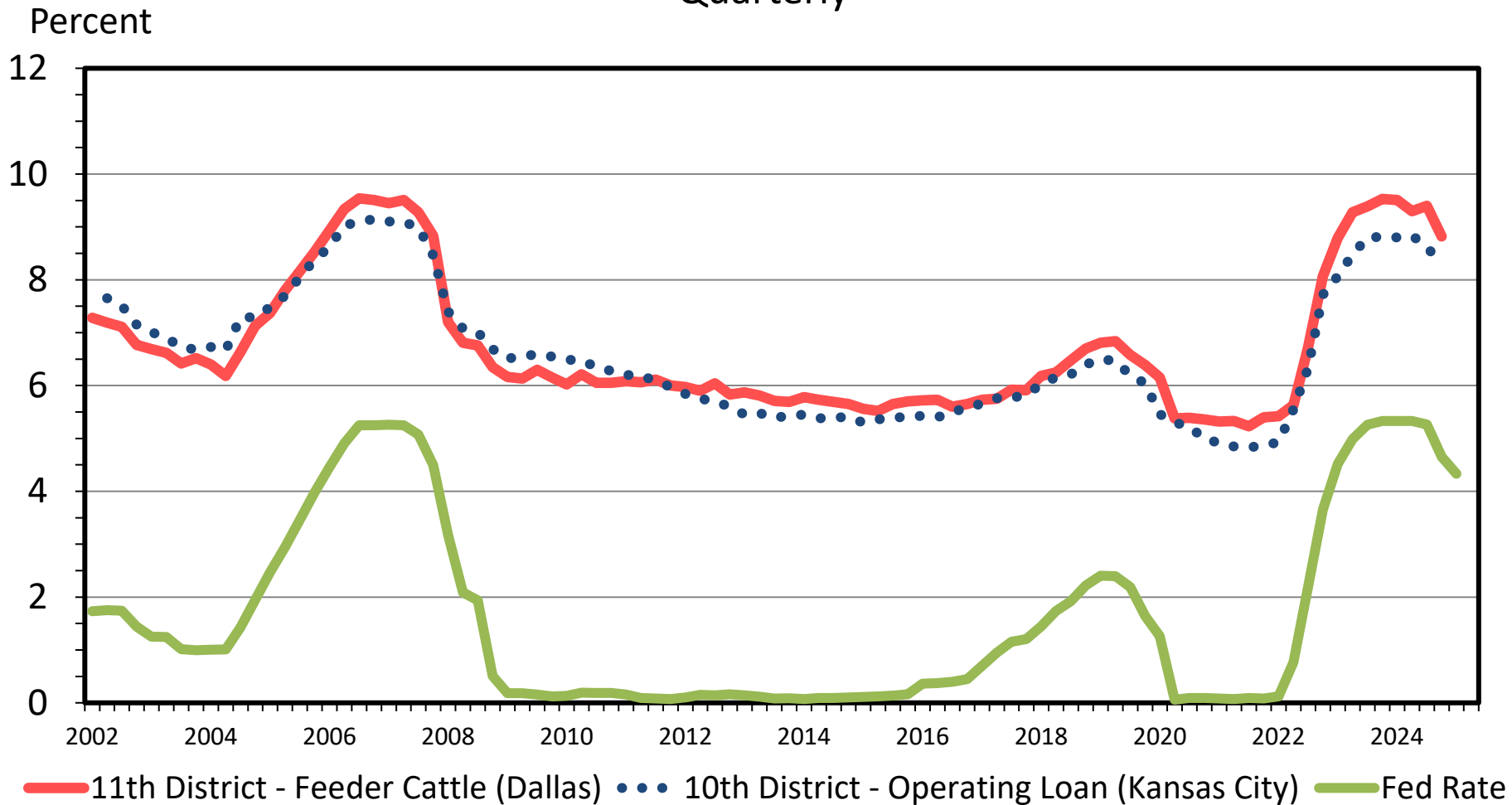
Data Source: Federal Reserve Bank of New York

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Accessed: March 3, 2025

AGRICULTURAL VARIABLE INTEREST RATES

Quarterly



Data Source: Federal Reserve Bank of Kansas City & Dallas

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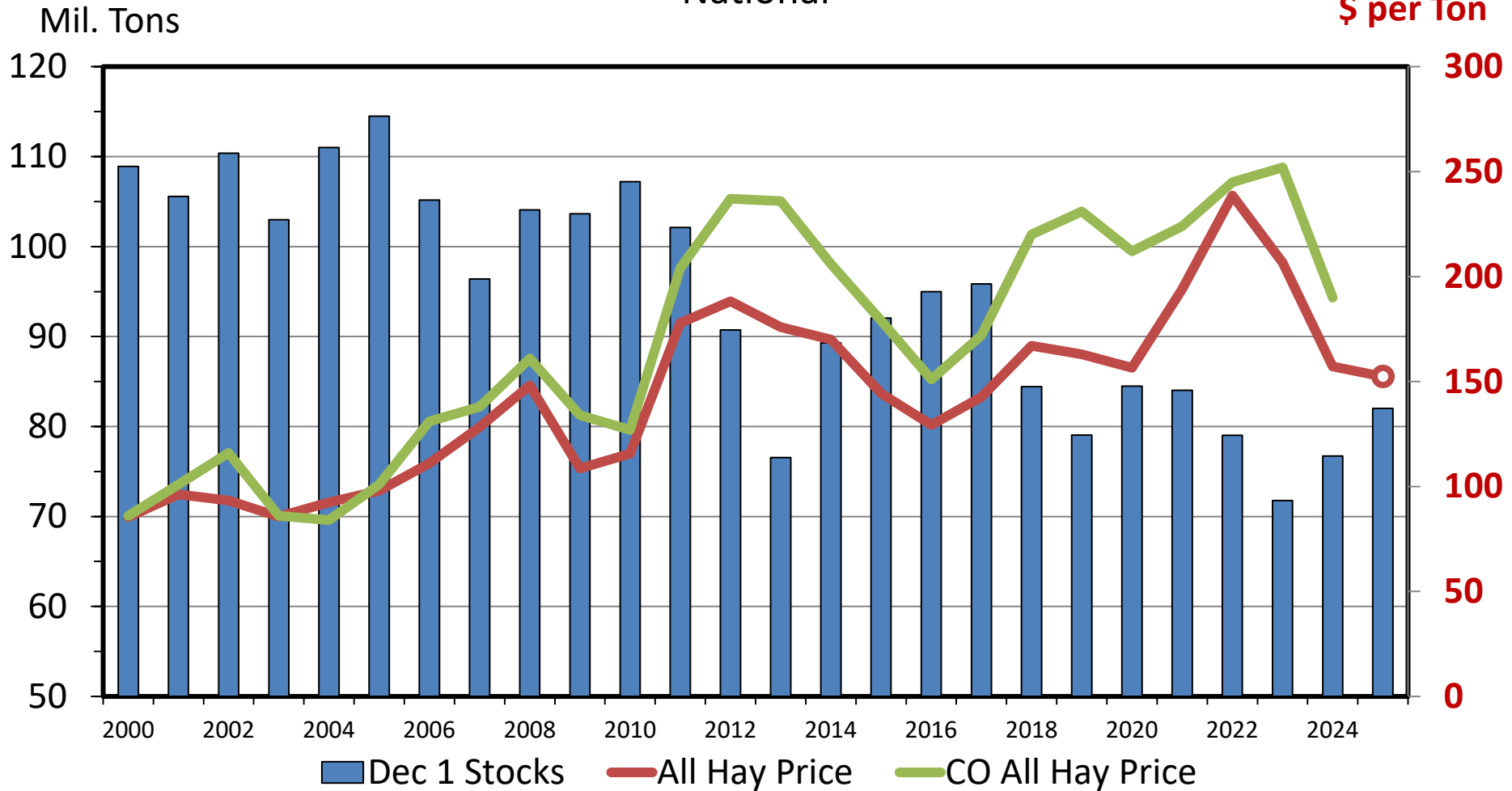
Accessed: March 3, 2025

Forage and Crops



US ALL HAY STOCKS & PRICE

National

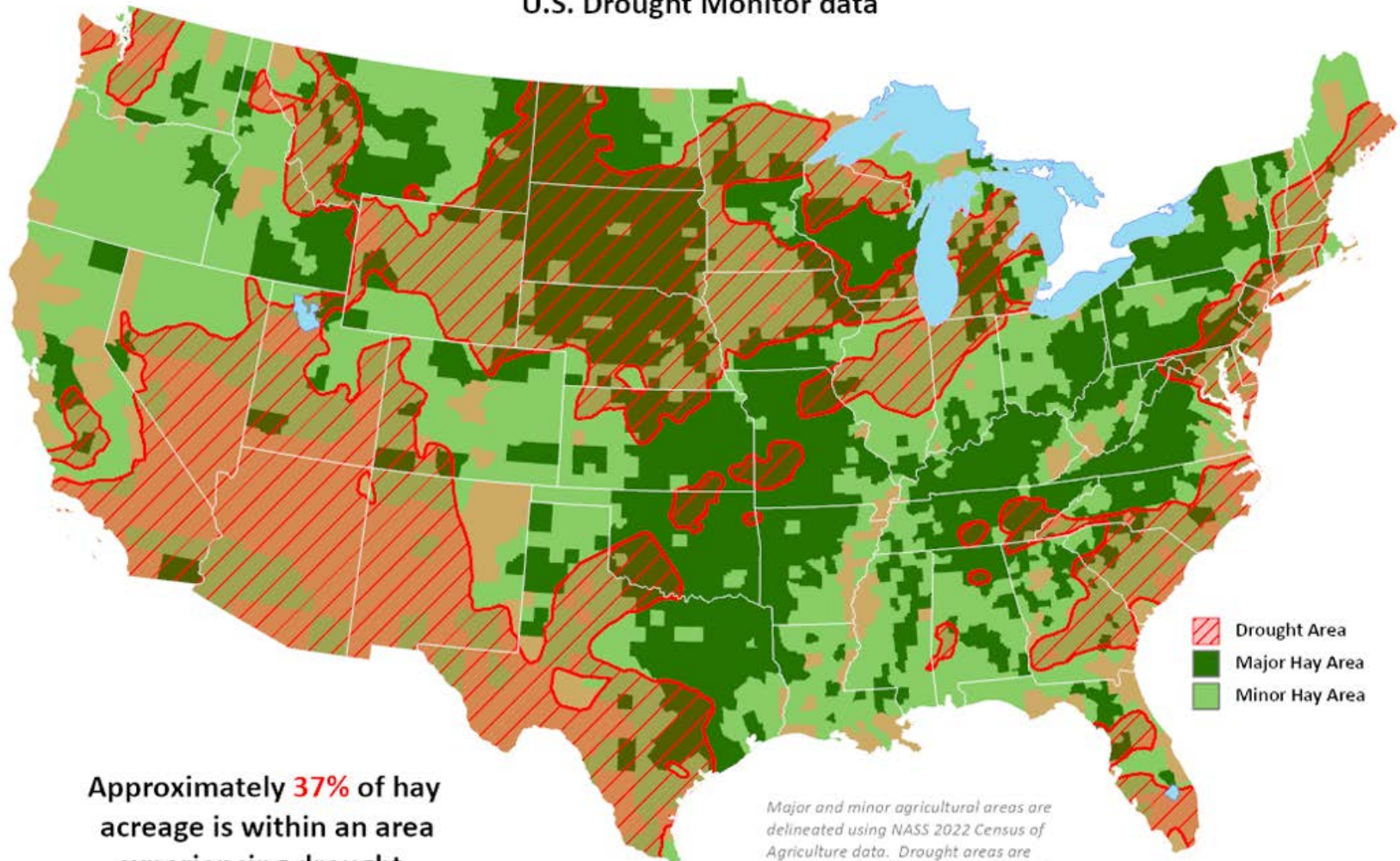


Data Source: USDA-NASS, Forecasts by LMIC

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Hay Areas in Drought

Reflects March 4, 2025
 U.S. Drought Monitor data



Approximately **37%** of hay acreage is within an area experiencing drought.

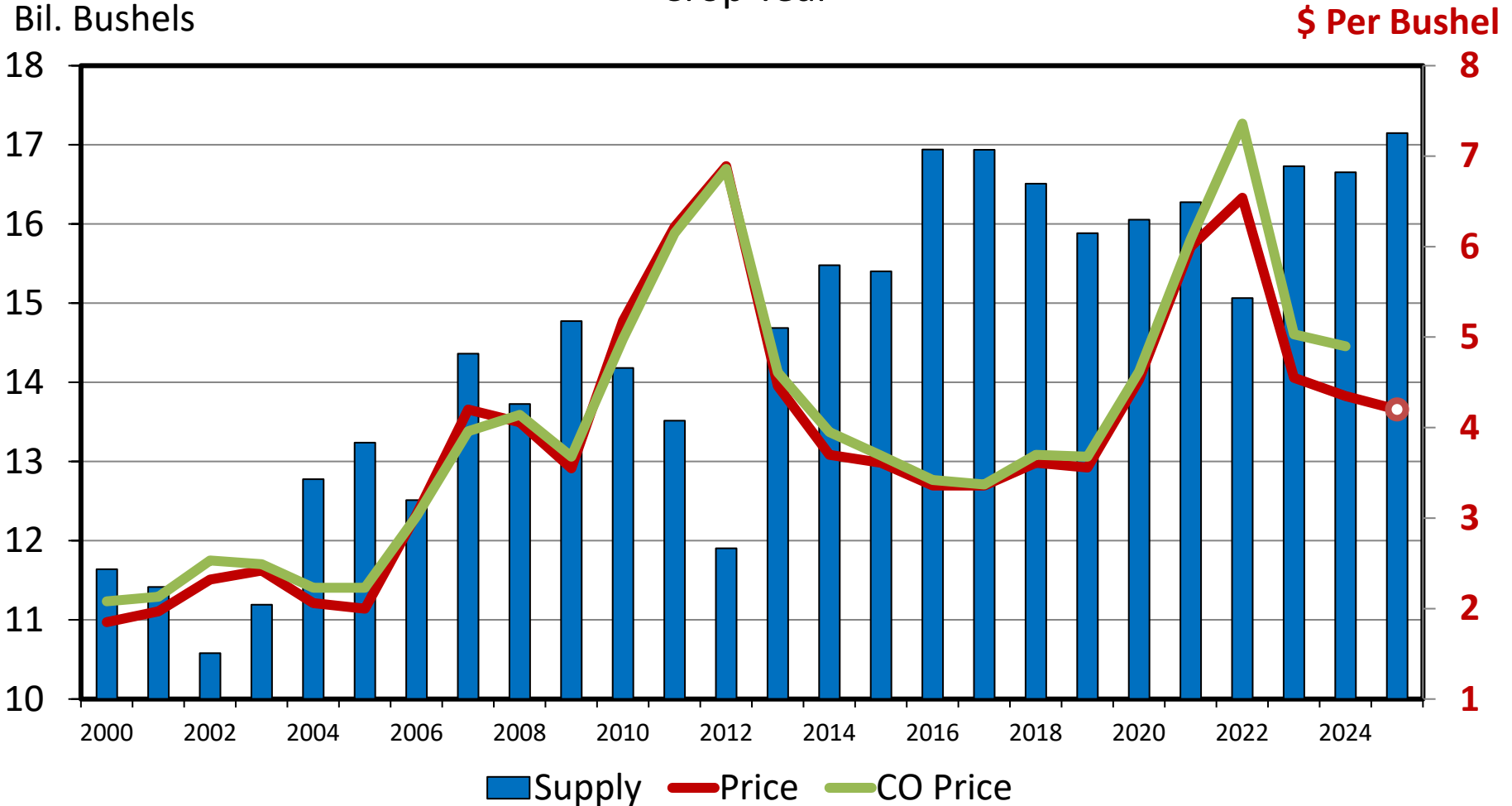
Major and minor agricultural areas are delineated using NASS 2022 Census of Agriculture data. Drought areas are identified using the U.S. Drought Monitor product.

<https://www.usda.gov/sites/default/files/documents/AgInDrought.pdf>

Accessed: March 11, 2025

US TOTAL CORN SUPPLY AND PRICE

Crop Year



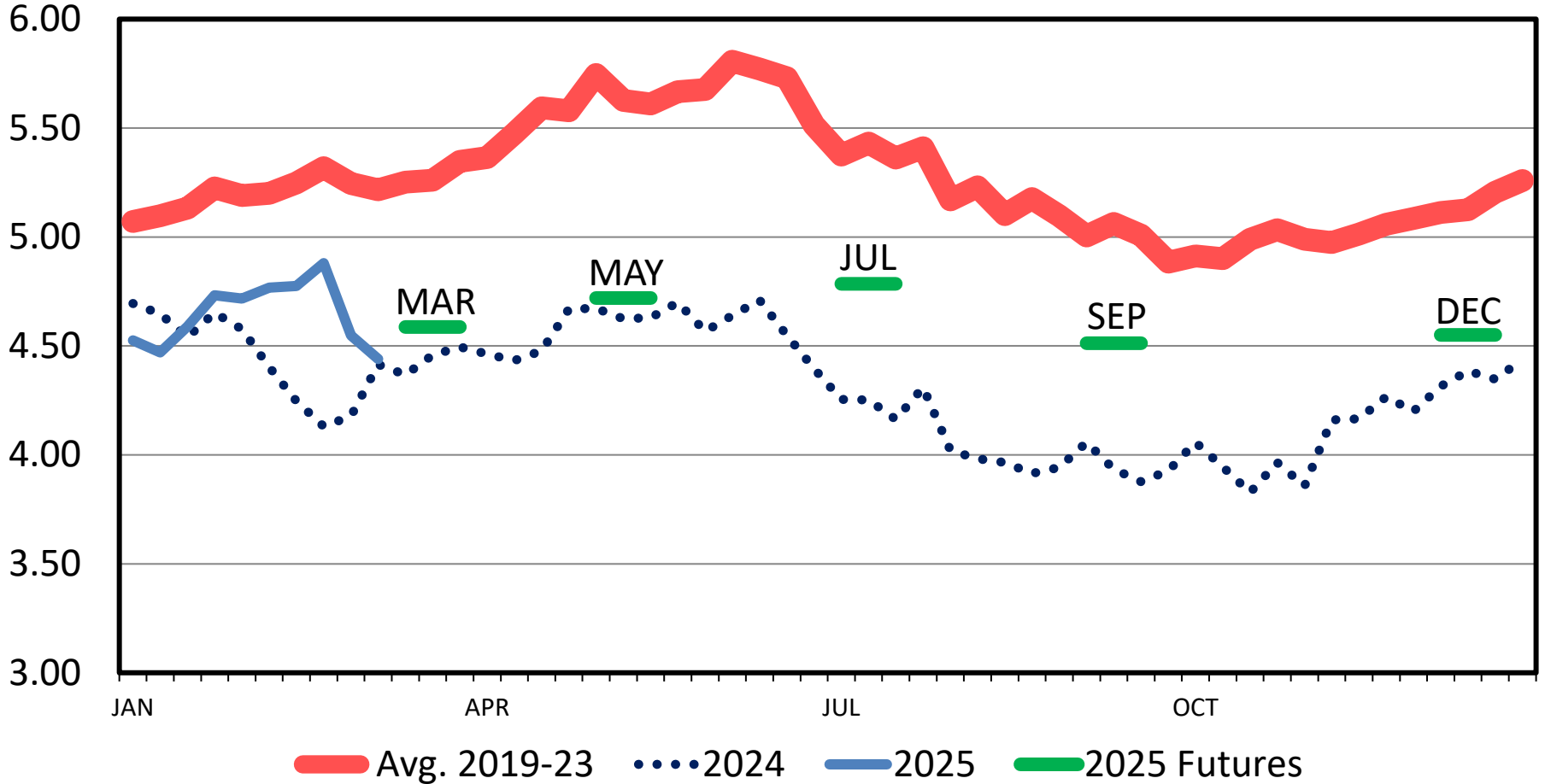
Data Source: USDA-NASS, Compiled & Forecasts by LMIC

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OMAHA CORN PRICES

Weekly

\$ Per Bu.

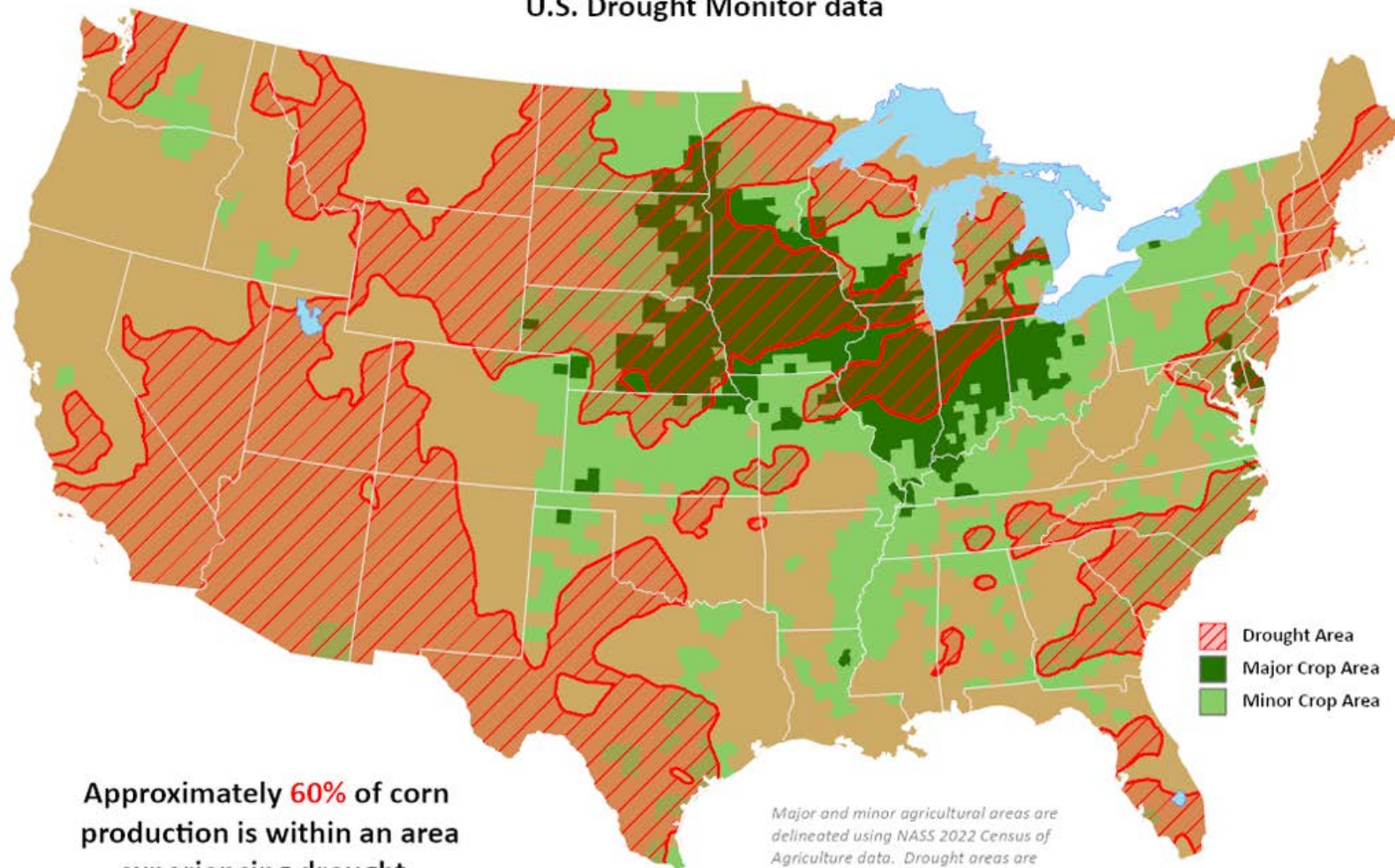


Data Source: USDA-AMS

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Corn Areas in Drought

Reflects **March 4, 2025**
 U.S. Drought Monitor data



-  Drought Area
-  Major Crop Area
-  Minor Crop Area

Approximately **60%** of corn production is within an area experiencing drought.

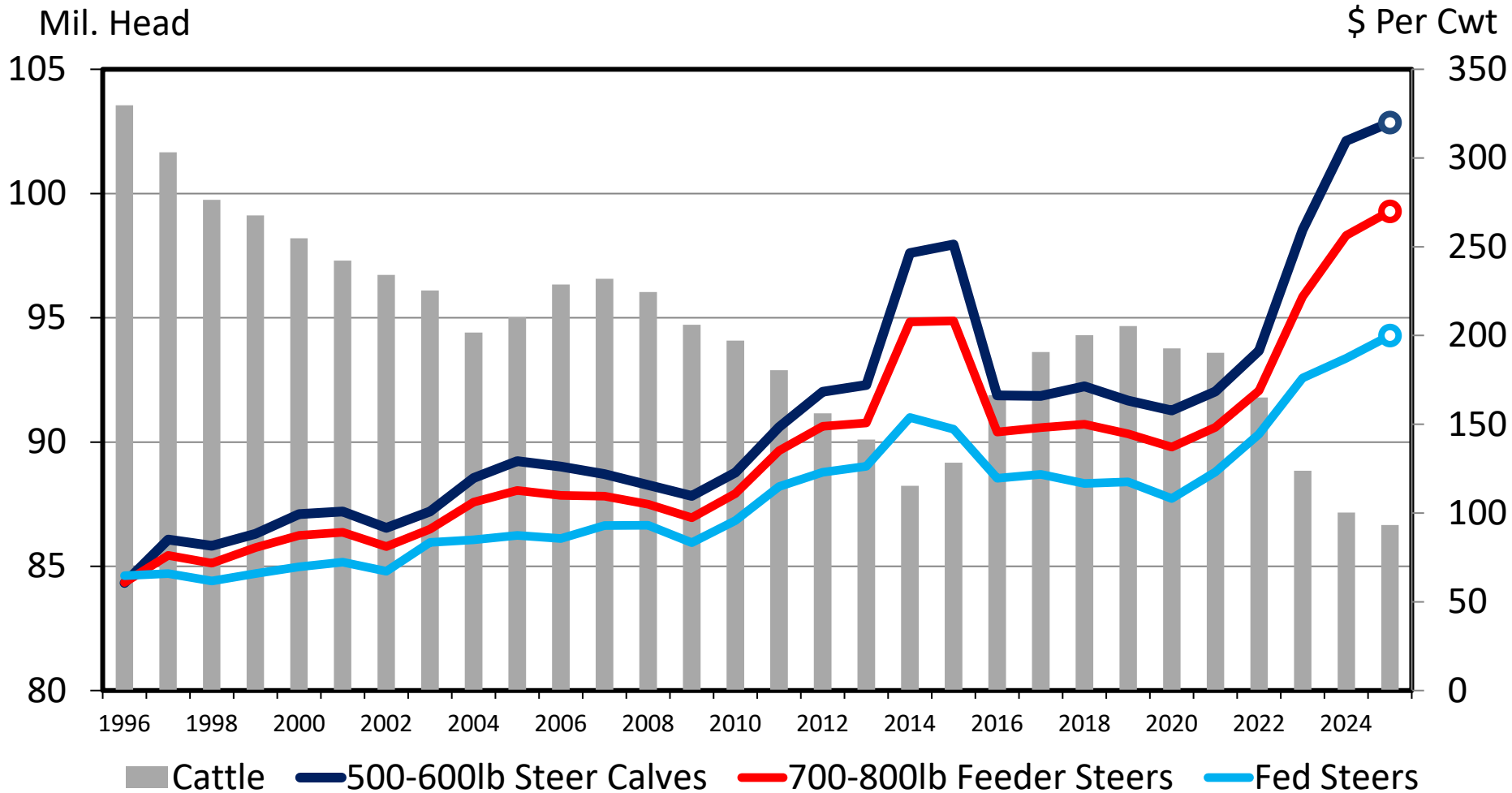
Major and minor agricultural areas are delineated using NASS 2022 Census of Agriculture data. Drought areas are identified using the U.S. Drought Monitor product.

Cattle and Beef Outlook



CATTLE INVENTORY	2023	2024	2025	Percent Change	
				2024/2023	2025/2024
All Cattle & Calves	88,841	87,157	86,662	-1.9%	-0.6%
Cows & Heifers That Have Calved	38,337	37,360	37,213	-2.5%	-0.4%
➔ Beef Cows	28,939	28,013	27,864	-3.2%	-0.5%
Dairy Cows	9,398	9,347	9,349	-0.5%	0.0%
Heifers 500 Pounds & Over	18,761	18,320	18,180	-2.3%	-0.8%
➔ Beef Cow Replacements	4,930	4,718	4,672	-4.3%	-1.0%
Dairy Cow Replacements	4,074	3,951	3,914	-3.0%	-0.9%
Other Heifers	9,758	9,651	9,593	-1.1%	-0.6%
Steers 500 Pounds & Over	16,057	15,959	15,802	-0.6%	-1.0%
Bulls 500 Pounds & Over	2,029	2,031	2,009	0.1%	-1.1%
Heifers, Steers & Bulls Under 500 Pounds	13,658	13,488	13,458	-1.2%	-0.2%
➔ Calf Crop (Prior Year)	34,440	33,563	33,530	-2.5%	-0.1%

AVERAGE ANNUAL CATTLE PRICES & INVENTORY



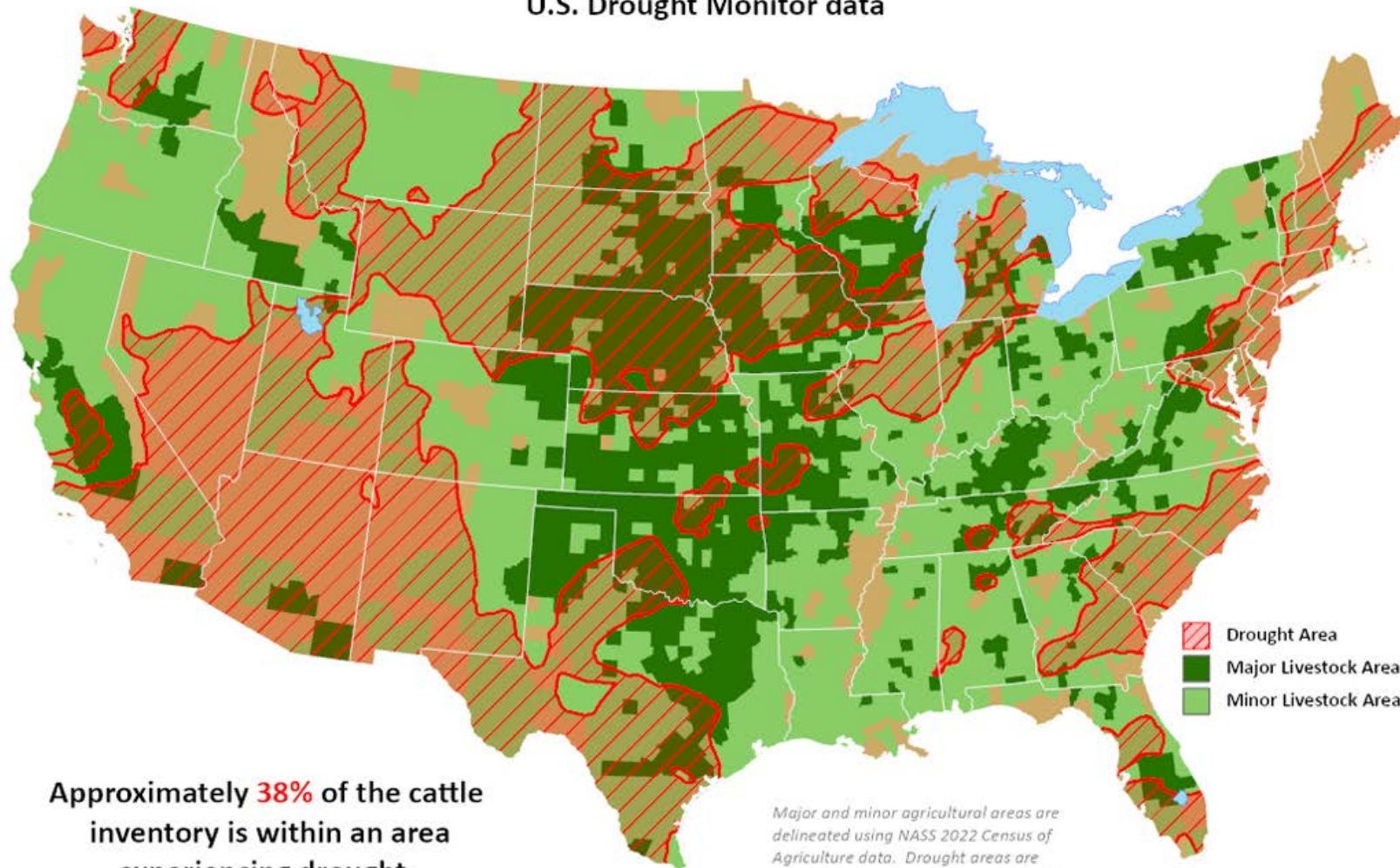
Data Source: USDA-AMS, Compiled by LMIC

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Cattle Areas in Drought

This product was prepared by the
USDA Office of the Chief Economist (OCE)
World Agricultural Outlook Board (WAOB)

Reflects **March 4, 2025**
U.S. Drought Monitor data



Approximately **38%** of the cattle inventory is within an area experiencing drought.

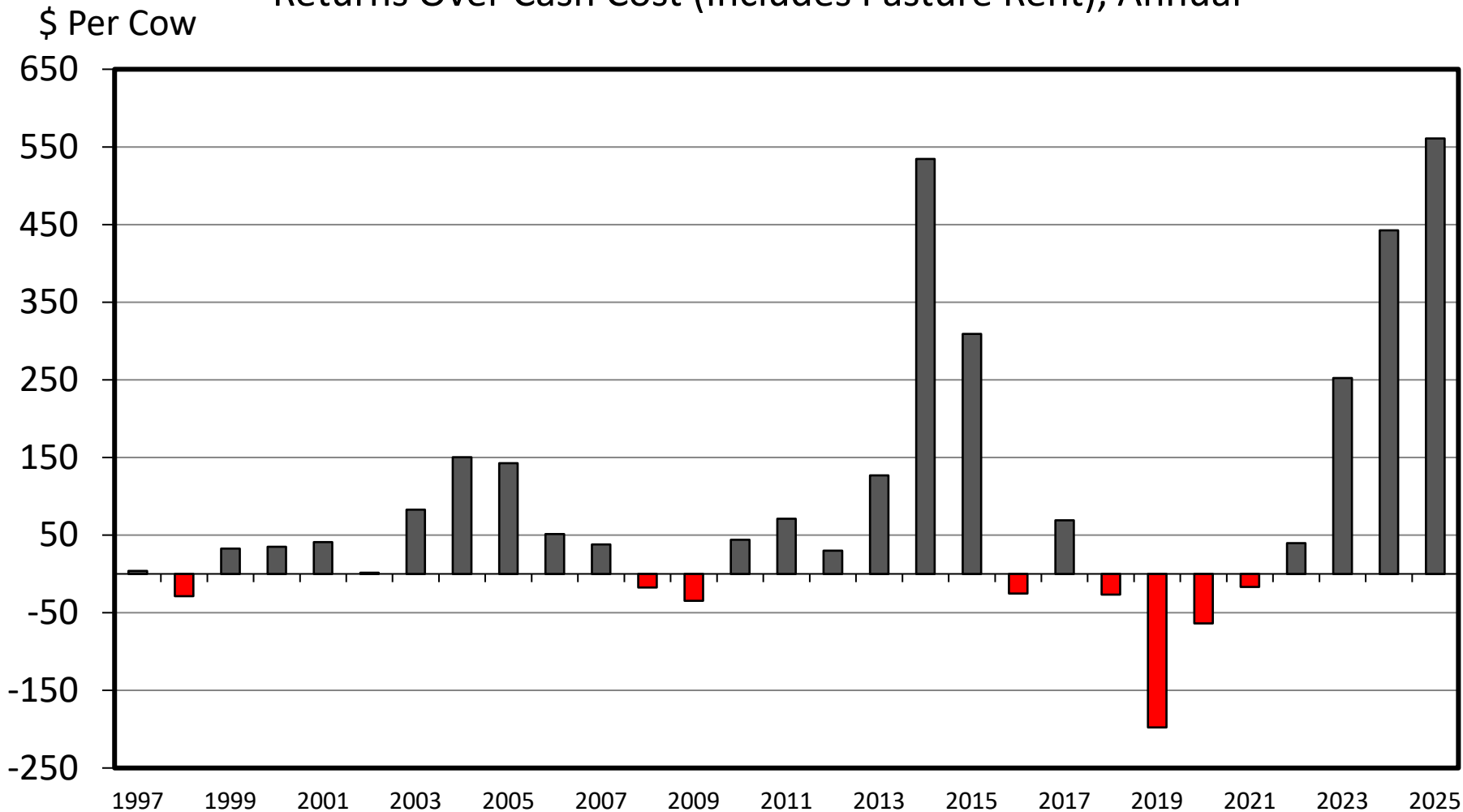
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Accessed: March 11, 2025

ESTIMATED AVERAGE COW CALF RETURNS

Returns Over Cash Cost (Includes Pasture Rent), Annual



Data Source: USDA & LMIC, Compiled by LMIC

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AGRICULTURE & BUSINESS MANAGEMENT

DECISION TOOL

COLORADO STATE UNIVERSITY EXTENSION



What Can You Afford to Pay for a Bred Beef Cow? v23.9

Authors: Jeffrey E. Tranel, Jenny Beiermann, and R. Brent Young

ASSUMPTIONS FOR COW HERD

Cows:		Calves:	
Number in Herd (head)	250	Total Number Weaned (head)	229
Replacement Rate	20%	Actual Weaning Rate	92%
Number to be Sold (head)	50	Weaned Calves as Steers	50%
Salvage Value (per cow)	\$1,000	Steer Calves:	
Average Annual "Cow Costs" (per head)	\$900	Number Weaned (head)	115
Annual Increase in "Cow Costs"	0%	Average Weight at Weaning (lbs/head)	600
Replacement Heifers:		Heifer Calves:	
Retention Rate	15%	Number Weaned (head)	115
Number (head)	37	Number Retained (head)	37
Number of Heifers Culled as Yearlings (head)	(13)	Number to be Sold (head)	78
Value of Heifers Culled as Yearlings (per head)	\$1,200	Average Weight at Weaning (lbs/head)	550
Desired Return on Investment	4%		

OUTLOOK FOR CALF PRICES

	Steers	Heifers
Year 1	\$2.90	\$2.80
Year 2	\$3.00	\$2.90
Year 3	\$2.80	\$2.70
Year 4-8	\$2.60	\$2.50

How Much Can You Afford to Pay?

\$3,179	8-Year Productive Life
\$2,495	5-Year Productive Life
\$1,870	3-Year Productive Life

Things to Consider:

- Interest Rate: 8%-9%, What is needed to encourage herd expansion?
- Hay Price: \$150-\$175 per ton, lowest in 3-4 years. Transportation Cost?
- Steer and Heifer Calf Prices: \$250-\$320 per cwt?
- Cull Cow Value: \$100 per cwt?

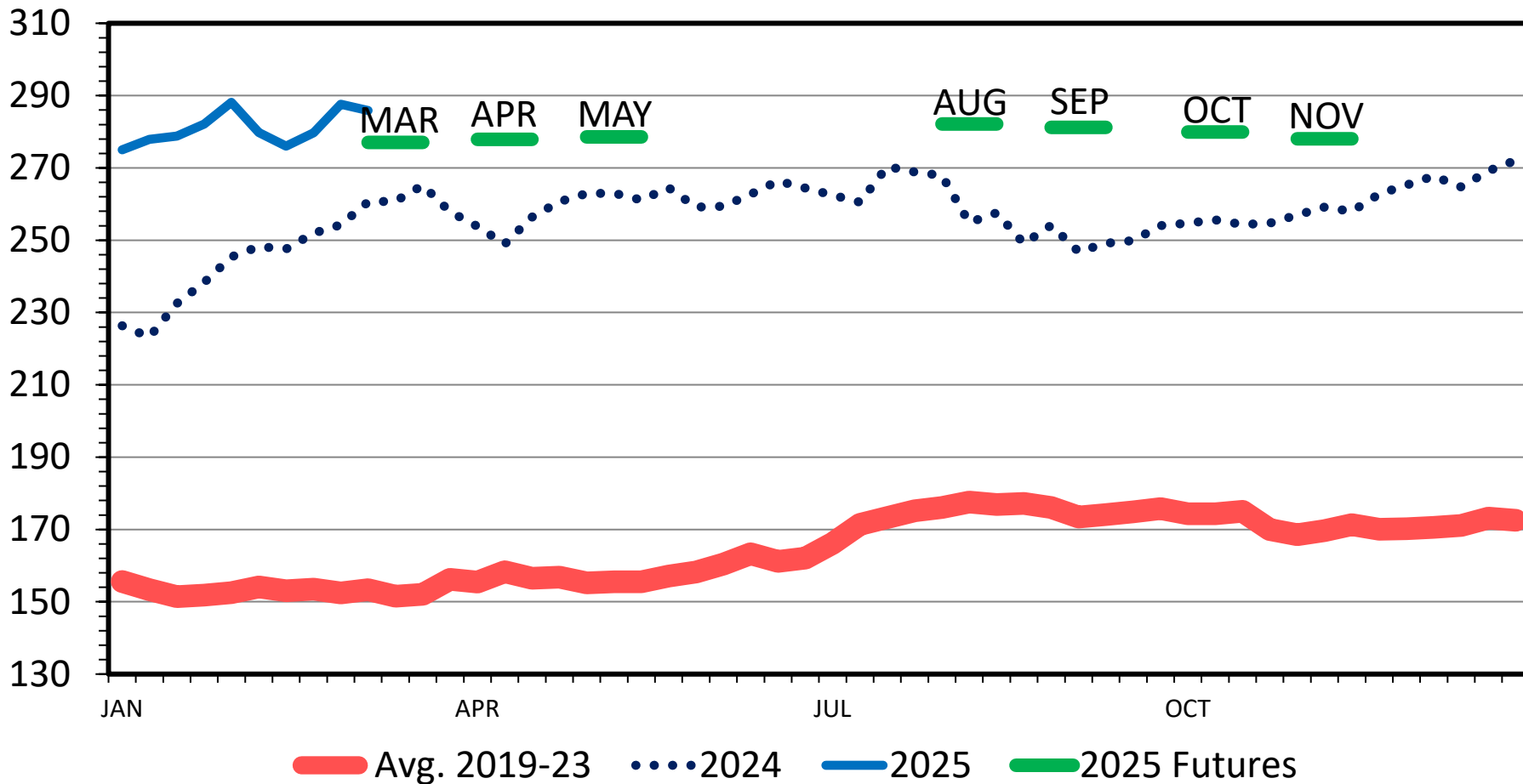
Cattle & Beef: Prices



MED. & LRG. #1 FEEDER STEER PRICES

700-800 Pounds, Southern Plains, Weekly

\$ Per Cwt.



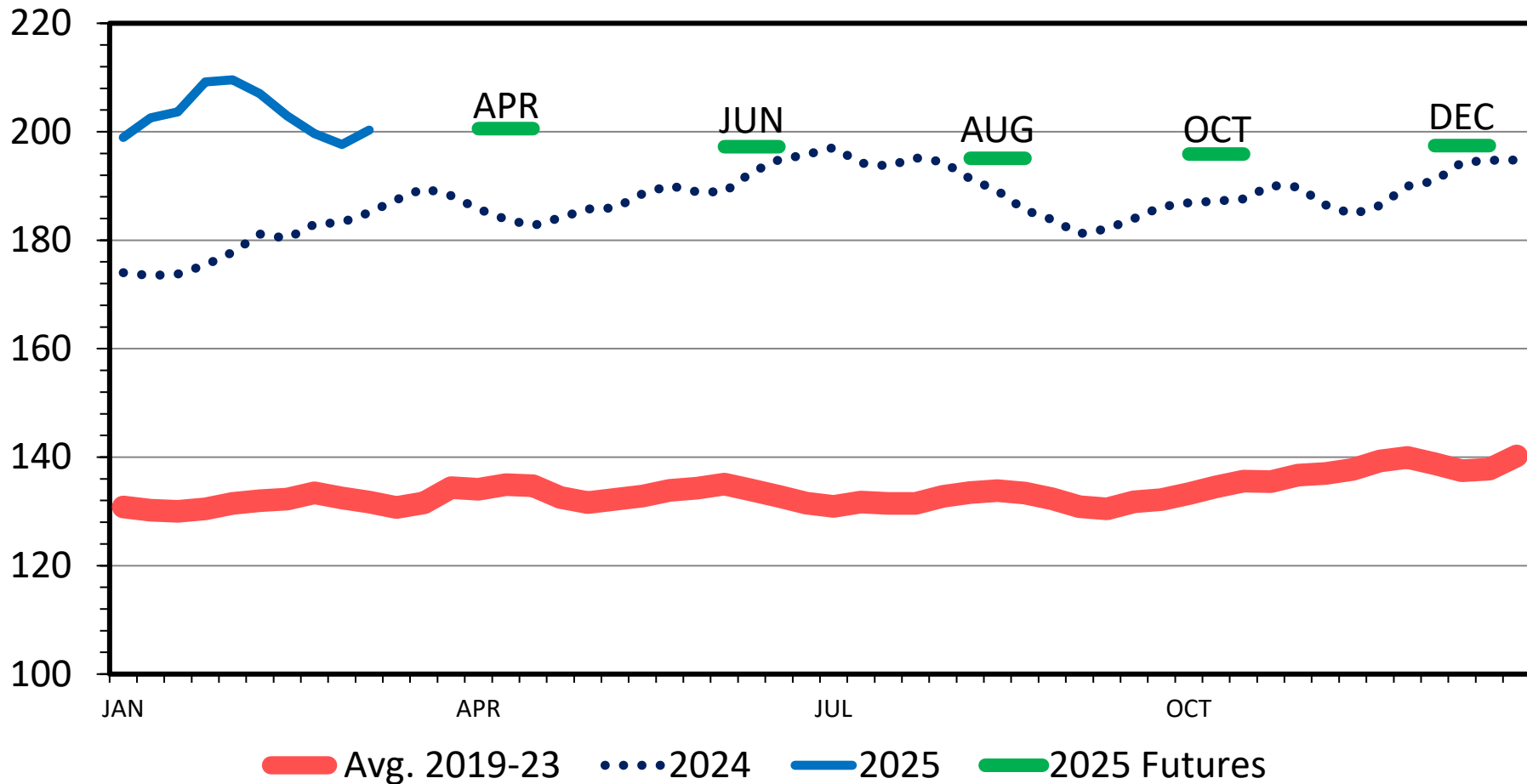
Data Source: USDA-AMS

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SLAUGHTER STEER PRICES

5 Market Weighted Average, Weekly

\$ Per Cwt.



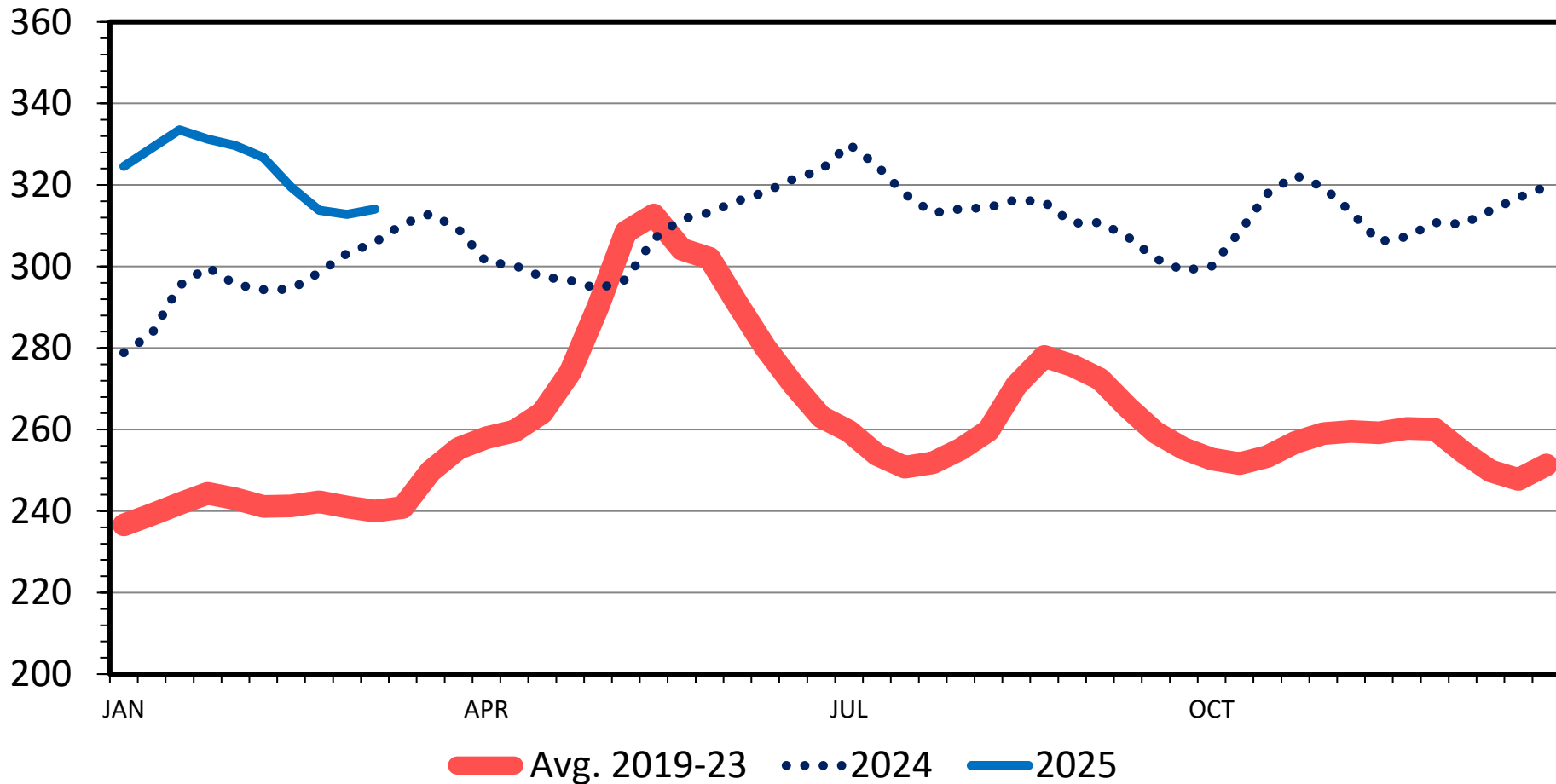
Data Source: USDA-AMS

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BOXED BEEF CUTOUT VALUE

Choice 600-900 Lbs., Carcass, Negotiated, Weekly

\$ Per Cwt.



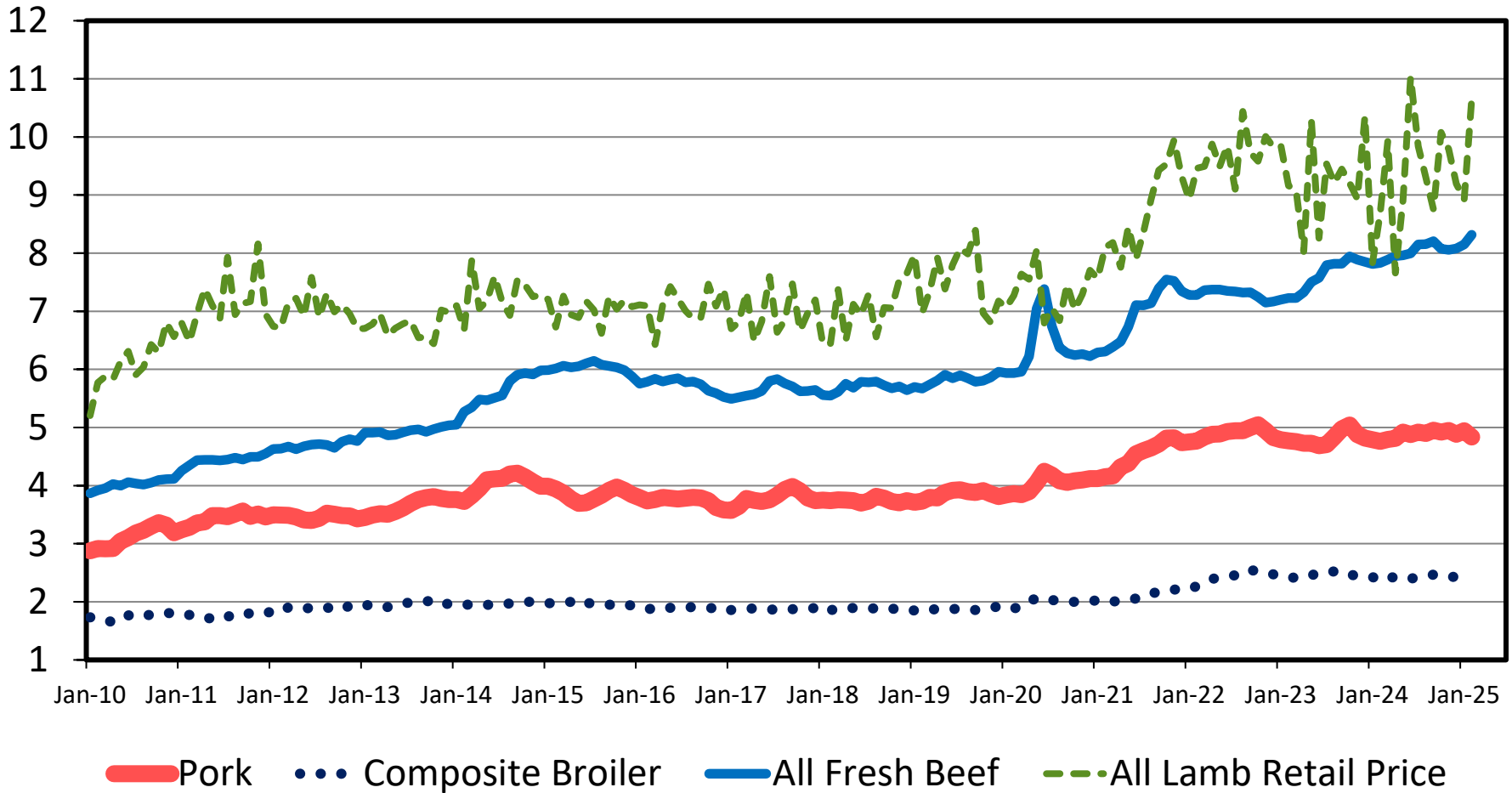
Data Source: USDA-AMS

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RETAIL PRICE COMPARISON

Monthly

\$ Per Pound



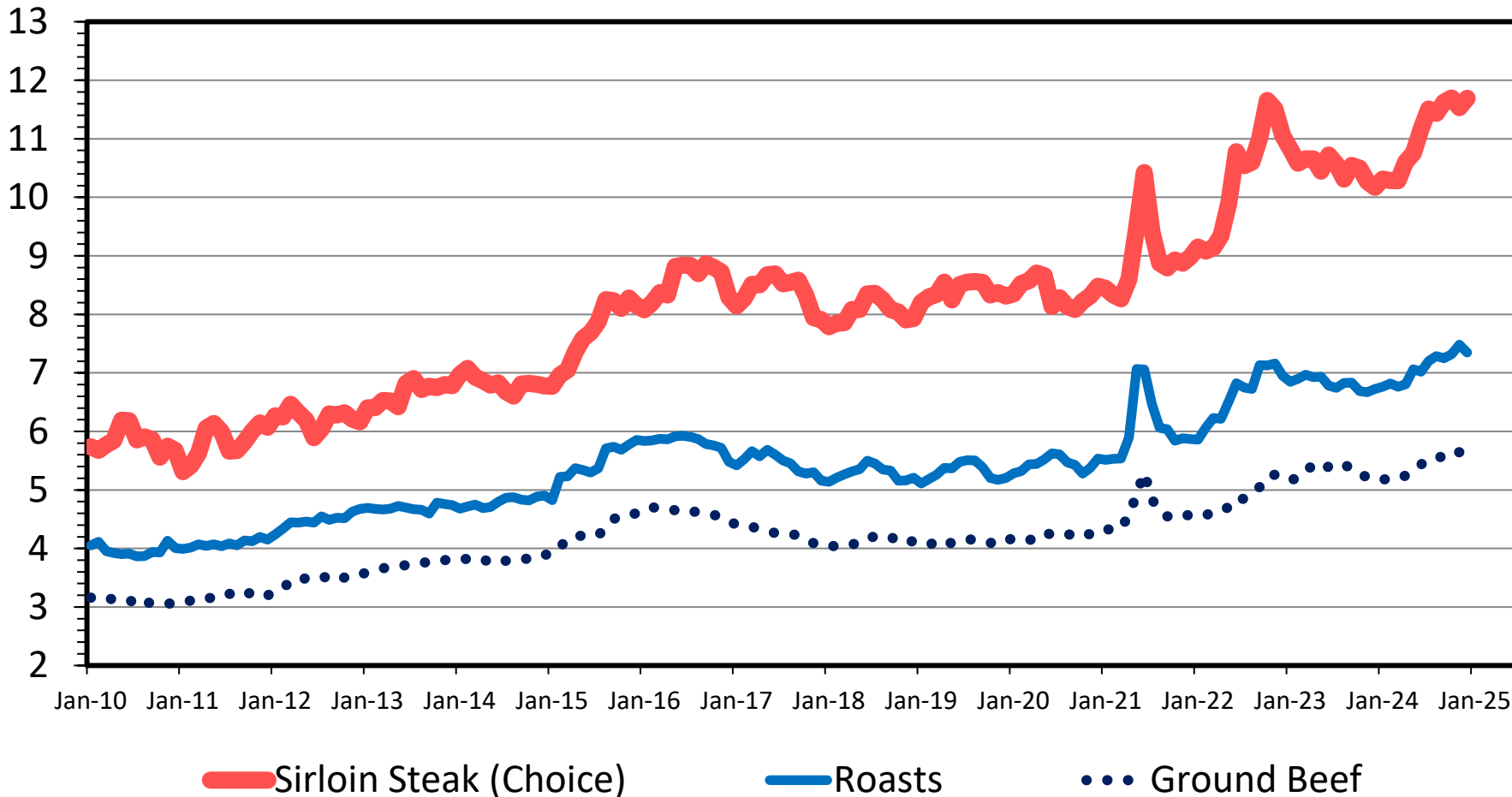
Data Source: Bureau of Labor Statistics, USDA-AMS & USDA-ERS

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RETAIL BEEF PRICE COMPARISON

Monthly

\$ Per Pound



Data Source: Bureau of Labor Statistics & USDA-ERS

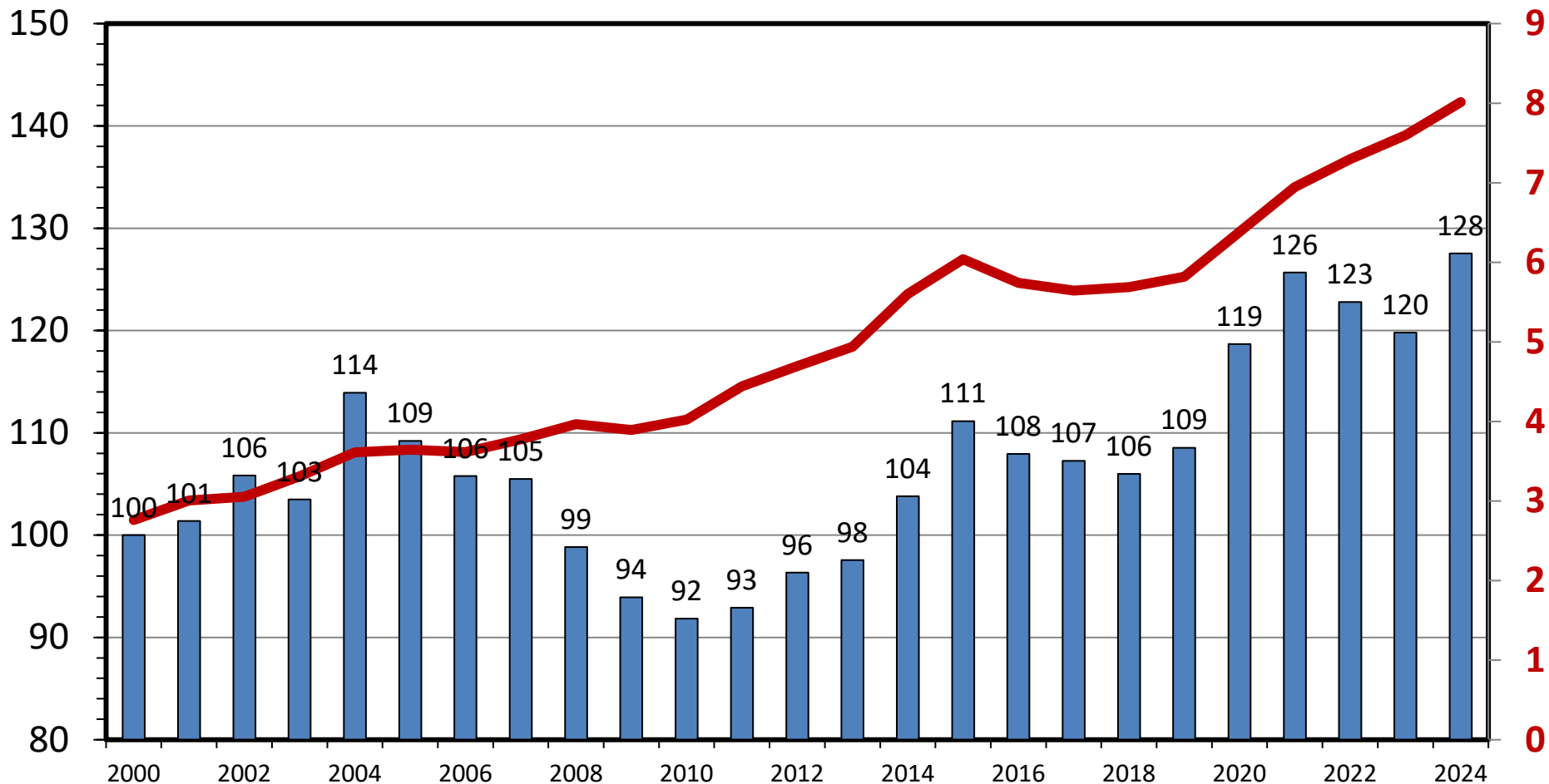
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RETAIL ALL FRESH BEEF DEMAND INDEX

Annual, Using CPI 2000=100

Beef Demand
Index Value

\$ Per Pound

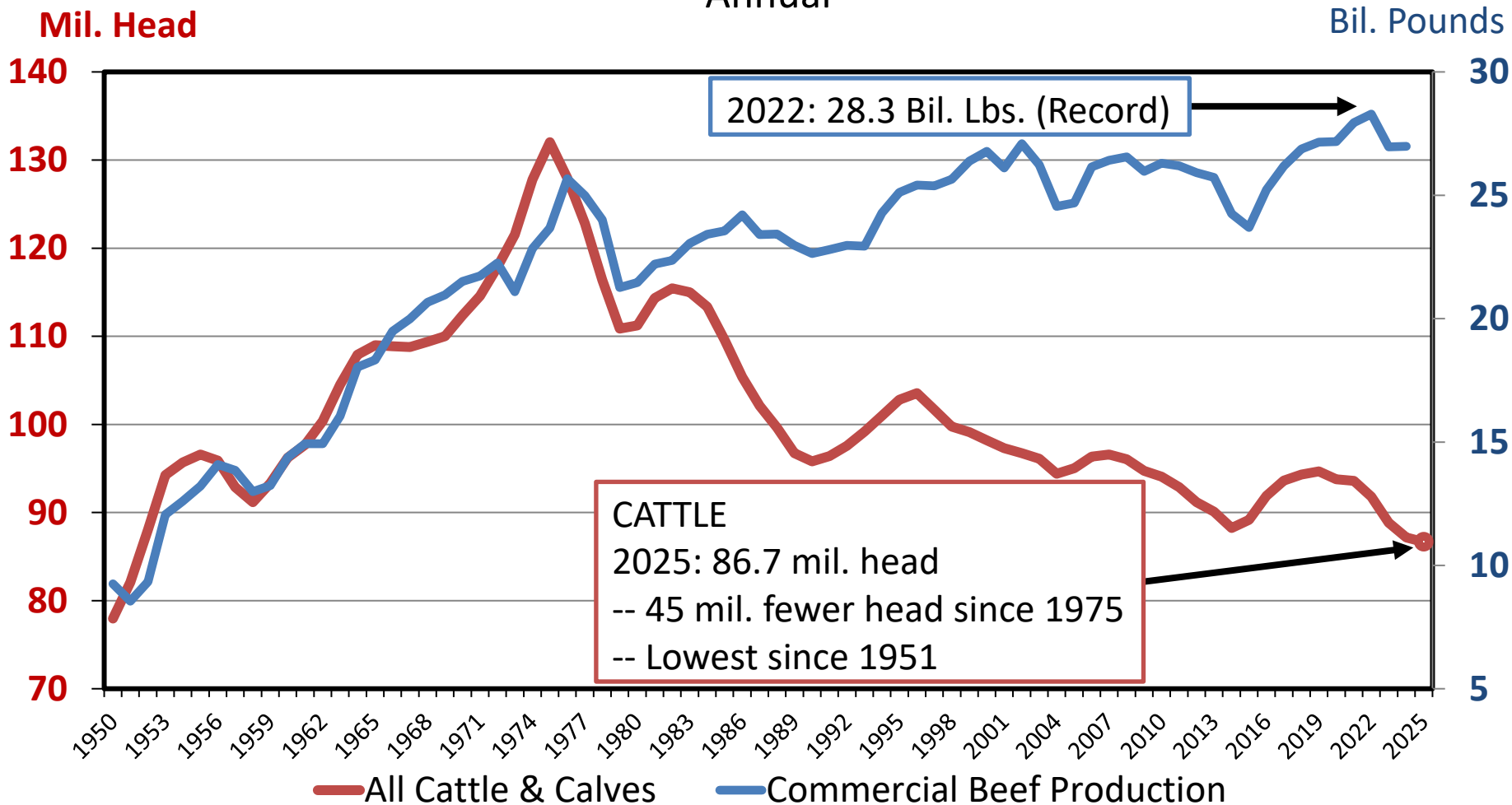


Data Source: Bureau of Labor Statistics, USDA-ERS, Compiled & Analysis by LMIC

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CATTLE INVENTORY & BEEF PRODUCTION

Annual

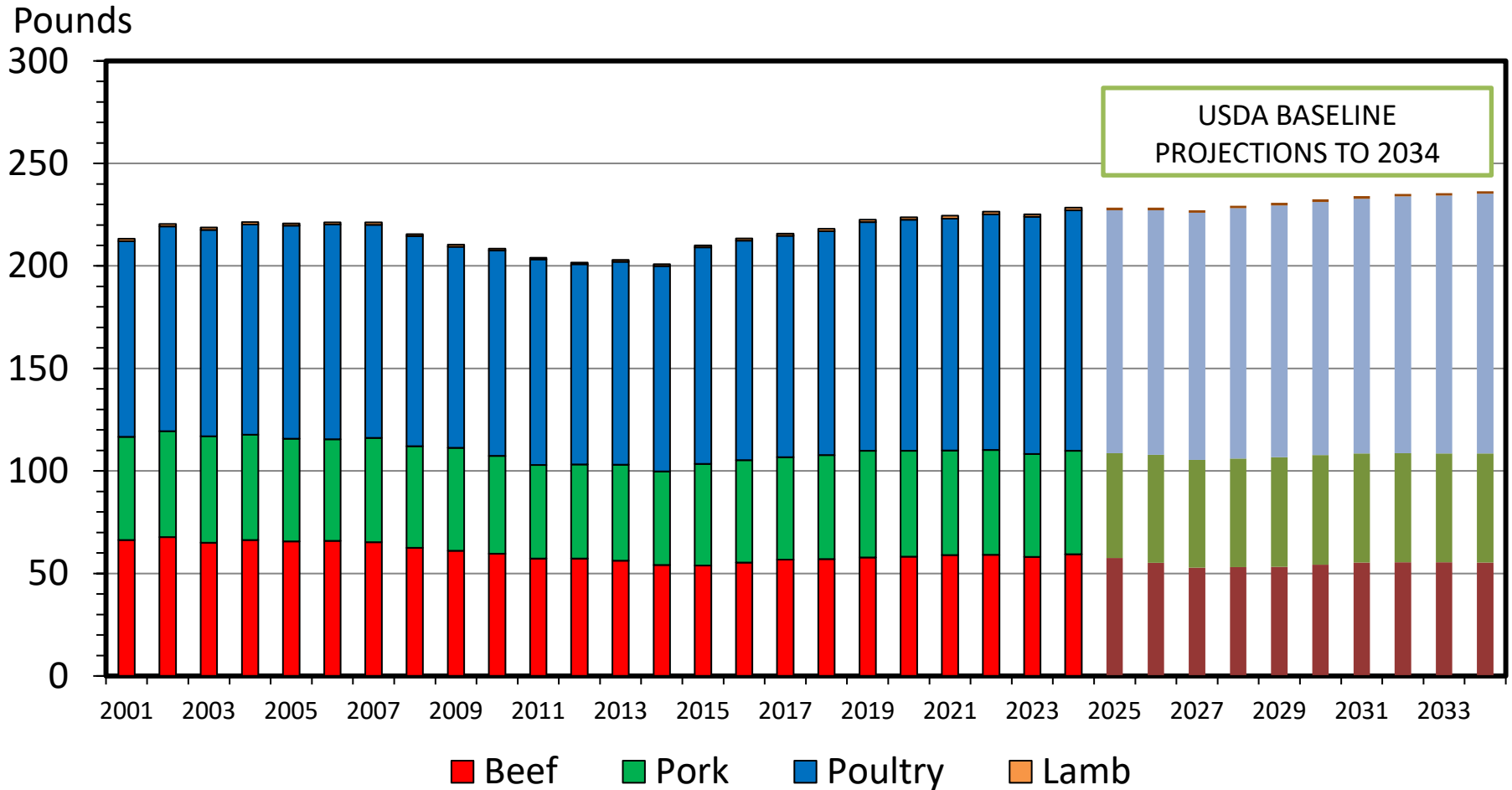


Data Source: USDA-NASS Compiled by LMIC

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US RED MEAT & POULTRY CONSUMPTION

Per Capita, Retail Weight, Annual



Data Source: USDA-NASS and USDA-ERS, Compiled & Analysis by LMIC

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THINGS TO CONSIDER

- Drought and Pasture Conditions
 - Feed Availability
 - Feed Costs
- Economy/Inflation/Trade
 - Interest Rates
 - Domestic Consumer Demand
 - Global Demand, Exchange Rates

THANK YOU!

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