

MARKET WATCH CATTLE

Dairy slaughter for the week ending August 18 was 61,000 head, up 3,700 head from the week prior and the highest number of head sent to slaughter in 19 weeks. The week ending April 7 saw 63,100 dairy cows slaughtered. Year-to date, 1.9186 million head have been slaughtered, compared to 1.8253 million head through this week last year. That puts 2012 slaughter 5.11 percent higher than 2011 – or an average of 2,827 head more per week.

A delicate balance is in play

where slaughter is concerned. Feed costs have provided support to milk prices but have also made it expensive if not difficult to properly feed the herd. Corn futures contracts through July are holding at or near the \$8 level. Bean meal keeps hitting new contract highs, with the September contract trading as high as \$554.4 per ton on September 4. In general, expect slaughter numbers to stay strong if feed prices do. Future culling decisions will likely be based on locale: Those with access

to alternative feed sources, or in pockets of the country where they could harvest something of a crop, will be able to feed animals more easily.

The U.S. average price received for dairy cows in August was \$80 per hundredweight (cwt), down \$0.90 per cwt from a revised July price of \$80.90 per cwt. This is the third month in a row that dairy cull prices have declined. The pullback in prices is not surprising in light of the increased slaughter numbers. In the six weeks ending August 18, dairy slaughter has averaged 6,267 more head per week than through the same time period in 2011. Dairy

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cull price is \$9.20 per cwt over the August 2011 price of \$70.80 per cwt.

While cull prices have been pulling back, live cattle futures have been drifting higher. On August 31, the 2012 contracts averaged \$127.3 per cwt and 2013 contracts averaged \$134.5 per cwt. On July 24, the 2012 and 2013 contracts averaged \$122.8 per cwt and \$131.2 per cwt, respectively. Demand is expected to ease following the Labor Day holiday and prices along with it. **PD**

MARKETWATCH September 6, 2012	Top Springer	Top Average	Medium Holstein Springer	Shortbreds	Open Heifers Light	Open Heifers Heavy	Heifer Calves	Bull Calves	Breeding Bulls
Empire Livestock - Burton Market Vernon, NY (800) 257-1819 (sale 9/6/12)	\$1,350 \$50 ▼	\$1,150 \$100 ▼	\$1,100 NC	\$900 \$100 ▼	\$300 \$150 ▼	\$700 \$200 ▼	\$75 \$25 ▼	\$75 \$10 ▼	\$800 NC
Mammoth Cave Dairy Auction, Inc. Smiths Grove, KY (800) 563-2131 (sale 9/4/12)	\$1,510 \$80 ▲	\$1,400 \$50 ▲	\$1,250 \$50 ▲	\$1,250 \$150 ▲	\$350 \$50 ▲	\$580 \$70 ▼	\$170 \$10 ▲	\$130 \$10 ▲	N/T
New Holland Sales Stables New Holland, PA (717) 354-4341 (sale 9/5/12)	\$1,675 \$200 ▲	\$1,525 \$175 ▲	\$1,300 \$100 ▲	\$1,425 \$225 ▲	\$650 \$50 ▲	\$875 \$150 ▲	N/T	N/T	\$1,250
Mid-Georgia Livestock Auction Jackson, GA (770) 775-7314 (sale 8/28/12)	\$1,625 \$175 ▲	\$1,350 \$150 ▲	\$975 \$150 ▼	N/T	\$350 \$60 ▼	\$310 \$540 ▼	\$100 \$100 ▼	\$140 NC	N/T
Central Livestock Association Albany, MN (800) 733-6828 (sale 8/28/12)	\$1,500 \$150 ▲	\$1,225 \$25 ▲	\$1,200 \$15 ▲	\$1,100 \$60 ▼	\$95/cwt \$15/cwt ▼	\$97/cwt \$4/cwt ▼	N/T	N/T	N/T
Equity Co-op Livestock Stratford, WI (715) 687-4101 Rocky Olsen (608) 434-4037 (sale 8/28/12)	\$1,500 \$25 ▲	\$1,350 \$25 ▲	\$1,175 \$25 ▲	\$900 \$25 ▼	\$550 NC	\$875 NC	\$200 NC	\$145 \$50 ▼	\$1,250 \$50 ▼
Lake Odessa Livestock Lake Odessa, MI (616) 374-8213 (sale 9/4/12)	\$1,450 \$100 ▼	\$1,100 \$100 ▼	\$950 \$100 ▲	N/T	\$350 \$50 ▼	\$600 \$150 ▼	\$300 NC	N/T	\$1,400 \$100 ▲
Norwood Dairy Cattle Auction Norwood, MO (417) 746-4242 (sale 8/9/12)	\$1,450 \$260 ▲	\$1,100 \$50 ▲	\$800 \$175 ▼	\$1,080 \$80 ▲	\$400 \$85 ▼	\$930 \$210 ▼	\$135 \$15 ▼	\$165 \$10 ▼	N/T
Pipetstone Livestock Auction Market Pipetstone, MN (507) 825-3306 (sale 8/16/12)	\$1,500 \$125 ▼	\$1,379 \$17 ▲	\$1,335 \$1 ▲	N/T	\$85/cwt \$40/cwt ▼	\$115/cwt \$22/cwt ▲	N/T	N/T	\$1,025
Springfield Livestock Marketing Center Springfield, MO (417) 869-9500 Doug Thomas (417) 840-9316 (sale 8/29/12)	\$1,390 \$170 ▲	\$1,275 \$85 ▲	\$1,025 \$105 ▲	\$1,190 \$240 ▲	\$335 \$145 ▼	\$840 \$50 ▲	\$155 \$35 ▲	\$95 \$35 ▼	N/T
Topeka Livestock Auction Topeka, IN (206) 593-2522 (sale 9/4/12)	\$1,375 \$25 ▲	\$900 \$50 ▲	N/T	N/T	\$1,000 \$100 ▲	\$1,400 \$40 ▲	\$150 \$50 ▼	N/T	\$1,200 \$150 ▲
Tri-State Livestock Sioux Center, IA (712) 722-0681 Mike Koedam (712) 470-0198 (sale 9/5/12)	\$1,450 \$75 ▼	\$1,345 \$104 ▼	\$1,302 \$95 ▼	N/T	N/T	N/T	N/T	N/T	\$1,075 \$250 ▼
United Producers, Inc. Marion, MI (517) 294-3484 (sale 8/14/12)	\$1,625 NC	\$1,475 NC	\$1,200 NC	\$1,000 NC	\$400 NC	\$850 NC	N/T	N/T	\$1,000 \$100 ▲
Brush Livestock of Colorado Brush, CO (970) 842-2801 (sale 9/6/12)	\$1,725 \$25 ▲	\$1,675 \$40 ▲	\$1,485 \$15 ▼	\$1,200 \$75 ▼	\$360	\$720	N/T	N/T	N/T
Chehalis Livestock Market Chehalis, WA (360) 748-3191 (sale 8/24/12)	\$1,300 NC	\$1,100	\$1,035 \$65 ▼	N/T	N/T	N/T	\$70	\$55 \$5 ▲	\$1,175 \$175 ▲
Producers Livestock Jerome, ID (208) 324-4345 (sale 8/22/12)	\$1,550 \$10 ▲	\$1,391 \$79 ▼	\$1,191 \$29 ▼	N/T	\$103/cwt	\$82/cwt	\$60	N/T	N/T
Smithfield Livestock Auction Smithfield, UT (435) 563-3259 (sale 8/23/12)	\$1,250 \$75 ▲	\$1,120 \$55 ▼	N/T	\$1,090 \$60 ▼	N/T	N/T	N/T	N/T	N/T
Toppenish Dairy Replacement Sales Toppenish, WA (509) 865-2820 (sale 8/3/12)	\$1,200 \$125 ▼	\$1,100 NC	\$1,050 \$75 ▼	\$1,000 \$100 ▼	\$120/cwt NC	\$115/cwt NC	\$100 NC	\$120 NC	N/T
A & M Livestock Auction, Inc. Hanford, CA (559) 582-0358 (sale 8/1/12)	\$1,270 \$380 ▼	\$1,220 \$80 ▼	\$1,090 \$90 ▲	\$1,045 \$5 ▼	\$310	\$810	N/T	N/T	N/T
Sulphur Springs Livestock and Dairy Auction Sulphur Springs, TX (903) 885-7739 (sale 8/16/12)	\$1500 \$200 ▲	\$1,075 \$25 ▲	\$1,075 \$25 ▲	N/T	\$675 \$175 ▲	\$975 \$125 ▲	\$325 \$55 ▲	\$325 \$115 ▲	\$1,250 \$475 ▲
Escalon Livestock Market, Inc. Escalon, CA (209) 838-7011 (sale 8/29/12)	\$1,300 NC	\$1,100 NC	\$1,050 NC	N/T	\$90/cwt \$10/cwt ▼	\$100/cwt NC	N/T	N/T	\$800 \$200 ▼

Contact Judy about being included in *Progressive Dairyman's* Market Watch! judy@progressivedairy.com • (208) 324-7513 NC = No change N/T = No test Decrease in price ▼ Increase in price ▲

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