



Warren Wagner
Market360 Dairy Adviser
Stewart-Peterson Inc.
wwagner@stewart-peterson.com



Slaughter numbers for the second week of 2013 reached their 3-year high and were at 128 percent of the 3-year weekly average of 56,522.

Dairy slaughter for the week ending January 12 was a record 72,500 head, up 9,900 head from the same week last year. The record follows back-to-back weeks where slaughter was less than year-ago levels, perhaps indicating a return to normal slaughter rates. Dairy cows slaughtered in 2012 totaled 3,092,000 head, up 178,200 (+6.12 percent) from 2011.

Due to the large number of replacement heifers, year-over-year U.S. milk cow numbers have been minimally impacted by the rate of slaughter. In spite of the high slaughter seen throughout 2012, the U.S. herd is now only 10,000 head less than it was in December 2011. Also of note, in California, where drought has had a terrible impact, the milk cow total is exactly what it was in December 2011, 1.779 million head. In Texas, another state hit hard by the drought, the December 2012 herd was pegged at 433,000 head, just 2,000 head less than it was in December 2011.

The U.S. average price for dairy cows in December was \$76.8 per hundredweight (cwt), unchanged from a revised November price. Cull price is up \$6.3 per cwt from December 2011 and has been relatively unchanged over the prior four months.

Live cattle futures prices had been holding up as well; however, short-term oversupply and lower cash trade have pressured live cattle futures since the holidays. On January 4, the February contract traded as high as \$134.2 per cwt, and by January 18 traded as low as \$124.85 per cwt. As of this writing, cattle futures look to be putting in a bottom and projections are for tight supplies and higher prices ahead. The USDA put October placements at 0.32 to 0.62 million head below the typical October peak, and December 2012 supply at 11.3 million head, down 6 percent from December 2011. **PD**

Serving the Dairy Industry for over 50 years

Tough Enough To
Spread Anything!



- Silage Beds & Trailers
- Manure Beds & Trailers
- 16' to 40' Lengths
- Horizontal or Vertical Beaters

Stop and See Us at
World Ag Expo
Booth DS148



Burley Iron Works

www.burleyironworks.com

119 West 26th • Burley, ID 83318 • 208.678.8278



When Dependable ID Is Important Choose EZid For All Your Tag Needs

Tamper-resistant RFID lightweight ear tags

- Tag design delivers maximum performance.
- Super dependable. Proven success.
- USDA/AIN approved official tags.

Dangle tags with flexible daisy stud

- Best farm tag choice when retention is an issue.



Standard farm tags and official combo tag sets

- Optional daisy stud for best retention.
- Size and color choices.
- Numbered and custom printing available.

www.EZidAvid.com 970-351-7701

EZid