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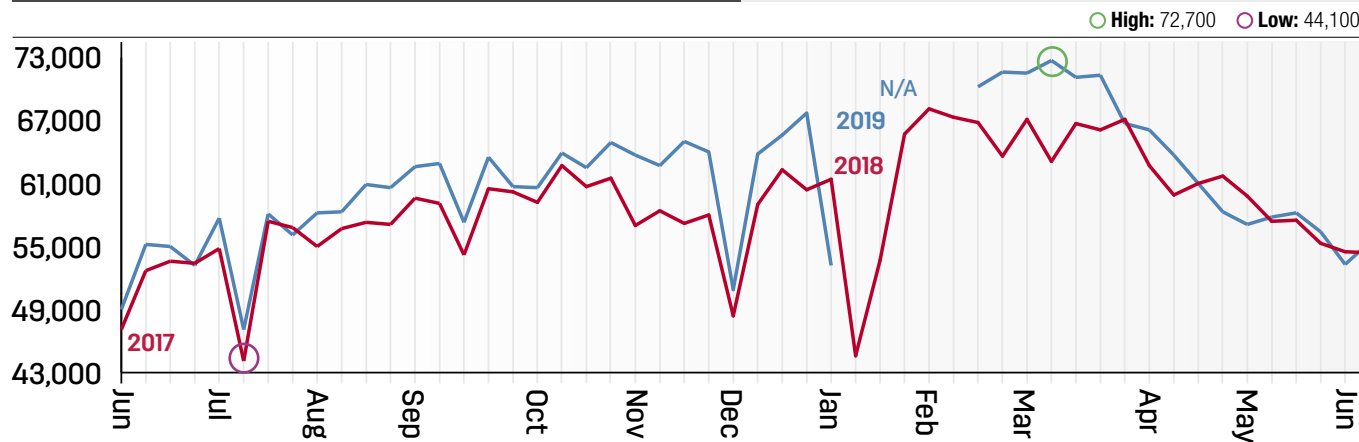
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Cull cow prices have continued their slow rising trend this year – but with a lot of fits and jerks. While cow slaughter remains above a year ago, the pace has slowed seasonally.

Fits and jerks

While trending higher, each cow price advance has been followed by a retreat. In the Southern Plains, cull cow prices averaged about \$48 per hundredweight (cwt) by mid-June after beginning the year at about \$41. They were as high as \$52 in late May. Kentucky breaking cow auction prices reached over \$58 per cwt the last couple of weeks of June, their highs for the year. A few high dressing breaking cows sold in the \$70s in South Dakota markets, close to prices earlier in the year.

DAIRY COW SLAUGHTER - 2 years



Seasonally lower cow culling is providing some supply-side price support. About 120,000 cows were sent to packers weekly from mid-April through mid-June, well below the nearly 130,000 head from February into April. Cow culling normally hits its seasonal lows in July before dairy cow culling picks up and fall beef cow culling hits in earnest.

While dairy culling remains above a year ago, it has declined abruptly over the last couple of months. Weekly slaughter rates

over 70,000 head declined to about 55,000 head by early June. Beef cow culling remains above a year ago but should drop off seasonally in coming weeks.

Expectations

This is about the time of year the cull cow price rally normally runs out of steam. Prices are being strengthened by wholesale beef trimming prices that are above a year ago and declining beef stocks in cold storage, indicating good product movement. Rapidly

declining calf prices due to higher feed costs may lead to increased beef cow culling this fall. Rising feed costs may also keep dairy culling relatively high.

And one more oddity. I have seen several articles in the last couple of weeks about a new restaurant trend: cow beef. The articles commented positively on the “beefy” taste profile and differences to the usual steak. While a way to try to add value to Akaushi or other high-profile-type cows, we’ll see if that extends to regular old cull cows. 🐮