



# ILLINOIS FARM AND FOOD OUTLOOK

## COLLEGE OF AGRICULTURE DEPARTMENT OF AGRICULTURAL ECONOMICS

Urbana, Illinois 61801

February 11, 1976

### CATTLE INVENTORY DOWN

THE TOTAL NUMBER OF CATTLE ON FARMS AND RANCHES numbered just under 128 million on January 1, according to the report issued on February 2 by the Crop Reporting Board of the USDA. The reduction was 3.8 million head from the record high of 131.8 million last January 1, the first actual reduction in numbers since 1958. For a period in the late 1960's, numbers were stable. More recently, there have been sizable increases each year. The largest increase was the one in 1973 of 6.2 million.

#### CHANGES BY CATEGORIES

All categories were down except for steers over 500 pounds and heifers not being kept for herd replacements. As previously reported, the number of cattle on feed was up 28 percent on January 1: a 20-percent increase in steers and a 50-percent increase in heifers. So all of the additional cattle are already in feedlots.

Dairy herds continued to decrease slowly. Milk cows numbered 11.1 million and heifers for dairy replacements were at 4 million. Each category had a reduction of about 100,000 from last year.

The major reduction was in the beef breeding herd. Beef cows totaled 43.7 million, a drop of 1.7 million from last year. This reduction reflects the very high slaughter of cows, about 11.5 million during 1975. Heifers saved for beef cow replacements were 19 percent below last year, at 7.2 million head--a decline of about 1.7 million.

Calves under 500 pounds on January 1 were estimated at 17.2 million. This figure compares to 16.4 million last year, a reduction of 5 percent.

The 1975 calf crop was revised down substantially from previous estimates. It is now estimated at 50.4 million, compared to the estimate of 50.7 million for 1974.

#### IMPLICATIONS

The 3-percent reduction in cattle numbers was slightly greater than many people expected. However, the figures given here are all estimates, carefully and conscientiously made. Clearly, this report does indicate there has been a change in trend within the cattle industry.

The immediate change in the beef industry as a result of this report will be small. The cattle industry should not become overly optimistic that all problems



are past, though the change is in the right direction. Cattle numbers are still at the highest level of any year prior to January 1, 1975. Slaughter during 1976 may be high enough that cattle numbers will be reduced further next year.

From the number of cattle on feed, the slaughter of fed cattle will be up sharply during the first half of 1976. The lower inventory of cows and cattle not on feed indicates that the number of cows and non-fed slaughter cattle should decline considerably. But the prices of fed cattle may be under pressure for several weeks. The spring rise will be less than last year because of the larger numbers on feed.

Weather will continue to be crucial. With a favorable year, feeder cattle prices may be higher this fall. The industry will return to a more orderly routine, with more cattle moving through feedlots. Supplies of non-fed beef will be reduced. But consumers will have a larger supply of high-quality fed beef. In the longer run, the direction of the industry will depend on the availability of feed and the strength of consumer demand.

*M.B. Kirtley, Extension Economist, Livestock Marketing*

Cooperative Extension Service  
United States Department of Agriculture  
University of Illinois  
At Urbana-Champaign  
Urbana, Illinois 61801

---

Official Business  
Penalty for private use, \$300

2/76-17,425

FIRST CLASS

POSTAGE AND FEES PAID  
U.S. DEPARTMENT OF  
AGRICULTURE  
AGR 101

