



ILLINOIS FARM AND FOOD OUTLOOK

COLLEGE OF AGRICULTURE

DEPARTMENT OF AGRICULTURAL ECONOMICS

Urbana, Illinois 61801

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CATTLE ON FEED UP 28 PERCENT FROM A YEAR AGO

THE NUMBER OF CATTLE ON FEED APRIL 1 TOTALED 10.9 MILLION, according to the most recent USDA report of Cattle on Feed. This is a 28-percent increase over the 8.5 million being fed on April 1 last year. Even so, this increase was lower than that expected by many people. A major factor probably is the sharply lower number of cattle on wheat pasture due to drouth in that area. Typically in March, large numbers of cattle are moved directly from wheat pastures to feed lots. This year, many of these cattle were placed on feed earlier due to the lack of wheat pasture. The 28-percent increase shows the same percentage increase as on January 1, but the total number declined from 12.3 million on January 1 to 10.9 million on April 1.

KINDS OF CATTLE ON FEED

The current situation is similar to that of January 1. Steers and steer calves numbered 7.3 million, an increase of 1.3 million or 22 percent from April 1 last year. Heifers and heifer calves totaled 3.5 million, an increase of 1.1 million or 45 percent compared to a year ago.

The number of cattle placed on feed in the 23 states for the entire quarter was 5.4 million, a 14-percent increase from 1975. Monthly figures from the seven major states indicate that the major upturn occurred during February. For the seven states, placements were up 74 percent in February but were 9 percent less than for March of 1975.

MARKETING OF FED CATTLE

Feeders reported that marketings of fed cattle were up 15 percent from 1975 for the quarter. Their intentions at the start of the quarter were to market 12 percent more than last year.

On April 1, feeders indicated they planned to market 6 million head of fed cattle in the April-June quarter, an 18-percent increase over a year ago. The distribution by weight of cattle on feed indicates they would market at least that many, and perhaps near the 6.3 million head marketed in the first quarter.

To provide an indication of the marketing schedule, the steers of one weight category were added to the heifers in the next lower weight category to allow for the difference in weight marketed. The heaviest steers, those over 1,100 pounds, and the heifers over 900 pounds totaled 982 thousand, a 25-percent increase from last year. Most of these cattle have been marketed. The next category totals

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almost 3.5 million, a 38-percent increase. These cattle will provide most of the marketings through June. Steers from 700 to 899 pounds and heifers from 500 to 699 pounds will provide the bulk of the cattle for the summer months. They totaled 3.9 million, an increase of 29 percent.

PRICE PROSPECTS

The prices for fed cattle should remain strong, but they are not likely to be as high as those early last summer. The shift has largely been made from nonfed to the slaughter of fed cattle. Total slaughter has declined from the very high level early in the year. Adjustments have been made to the change in grades. Yet, the number of fed cattle is sharply up from last year, even though it is not as high as expected. A strong demand will be necessary if prices continue to move higher. It seems likely that prices for the summer will range from the mid to upper 40's. With favorable weather, prices should continue strong for the rest of the year.

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