

MISSOURI NEWS SCENE

Missouri adds to beef-herd growth



Dailey Discussions

By DUANE DAILEY

MARK it as official — the U.S. beef cow herd is solidly in the herd-building phase. The latest USDA estimate shows 97.1 million head of cattle on farms as of Jan. 1. That's a 2% increase over the same time in 2005

and the second year of increases.

"This confirms that we are in the building phase of the next cattle cycle," says Scott Brown, University of Missouri Food and Agricultural Policy Research Institute livestock analyst. "Cattle producers will need to look carefully as they make expansion plans as the current inventory buildup will lead to larger beef supplies and put pressure on cattle prices."

The last cattle cycle was longer

than usual, but may give some indication of what is ahead. The last cycle built numbers from 1991 to 1996. Then an extended decline occurred until numbers leveled in 2004.

During the last herd buildup, fed cattle prices dropped \$13 per cwt. FAPRI is projecting a similar decline in the coming buildup.

"That decline in price can be difficult to fathom, given that we've seen record



prices in the last couple of years," Brown says.

This cycle may have a long buildup, as well. Don't be surprised at five to 10 years, Brown says. Weather, as always, will affect herd expansion. In the last cycle, prolonged drought in the far West helped reduce the cow herd. Now, keep an eye on that big dry area covering east Texas and up through Oklahoma, edging toward Missouri.

"Producers may be forced to sell cows that they intended to keep," Brown says. "Some of those cows may move to other parts of the country, but some may not find a home."

Dry weather can keep a lid on expansion.

Beef cows make up 33.3 million of that expanding U.S. herd number. The number from Missouri is a surprising one. Of the 340,000 more cows in the U.S. inventory, 115,000 are in this state.

"That solidified Missouri's position as the No. 2 beef-cow state in the nation," Brown says. Texas still leads, and right behind Missouri are Oklahoma, Nebraska and South Dakota. Missouri shows no signs of slowing down in building the beef herd. This state is becoming the heifer state. The USDA tally shows an increase of 50,000 heifers available in Missouri to enter the cow herd.

When to sell grain in the bin

Not all grain is sold by planned marketing. When Melvin Brees, University of Missouri FAPRI marketing specialist, talks about the "Top 10 Reasons" for moving grain to market, he gets nods of recognition. Reasons range from seeing a neighbor selling to the grain is starting to stink.

No. 2 on the list is "You need the money." No. 1 is "Your lender wants money!"

Farmers going in circles

The wildest idea from the MU Irrigation Conference during Ag Science Week could have growers going in circles. Robert Evans, USDA-Agricultural Research Service irrigation specialist in Sidney, Mont., asks why farmers planting under pivot systems go across fields in straight lines. Why not farm in a circle? Go round and round under the pivot.

His research includes keeping water on the field and reducing runoff. Circle furrows do a better job, he says. He admits that when he proposes this idea, growers think he's in a different orbit.

It makes one long row at harvest-time, with less wasted turning time. Think about it.

By the way, Evans thinks end guns for watering corners are a huge waste of water and power for the returns. Think about that, also.

Send your ideas to daileyd@missouri.edu.

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