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Agricultural Letter

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Cattle feeding continues at high levels although slightly below last year's record. About 6.6 million head were on feed as of October 1, 2 per cent fewer than on the same date last year, according to a recent survey by the U. S. Department of Agriculture. The number on feed in the western states matched the record number a year earlier.

In the Corn Belt, 4 per cent fewer cattle were on feed October 1 than a year ago. Some of the largest declines were in the Seventh District states. Iowa, the leading cattle feeding state, had 5 per cent less cattle and calves on feed while Illinois had 17 per cent fewer. Wisconsin and Michigan also reported fewer numbers of cattle on feed.

Decline in Numbers Greater in Midwest

	October 1 1962	1963	1964	Change 1963-64
	(thousand head)			(per cent)
Iowa	1,181	1,275	1,211	- 5
Illinois	437	437	380	-13
Indiana	131	151	166	+10
Michigan	87	93	80	-14
Wisconsin	75	90	86	- 4
12 Corn Belt states	3,641	4,018	3,866	- 4
Total, 28 states	6,143	6,777	6,617	- 2

Placements of stocker and feeder cattle in feed lots from July through September were 10 per cent larger than a year earlier but these increased placements were more than offset by the continued large marketings of fed cattle during the third quarter. This resulted in the slight decline in numbers as of October 1.

Shorter periods of time on feed are clearly indicated in the October survey. A large proportion of the cattle on feed October 1 were placed on feed during the third quarter. In the Corn Belt, compared with a year earlier, there were 12 per cent more cattle which had been on feed less than three months on October 1; cattle on feed 3 to 6 months showed a decline of 10 per cent, and those on feed for more than 6 months showed a decrease of 23 per cent.

The number of cattle and calves on feed weighing 700 pounds or less was about 7 per cent larger than year earlier while the number in the 700 to 1,100 pound range declined from about 4.6 million head to 4.4 million—down about 6 per cent. Those cattle on feed weighing 1,100 pounds or more were up slightly from a year earlier but account for less than 6 per cent of the total number on feed.

Lighter Weights Indicate Shorter Time on Feed

Weight groups (pounds)	October 1 1962	1963	1964	Change 1963-64
	(thousand head)			(per cent)
Under 500	539	526	486	- 8
500-699	1,271	1,236	1,391	+13
700-899	2,310	2,481	2,381	- 4
900-1,099	1,741	2,166	1,984	- 8
Over 1,100	282	368	375	+ 2
Total, 28 states	6,143	6,777	6,617	- 2

The number of cattle in feedlots and the shortness of time on feed would indicate smaller volume of fed cattle marketings during the remainder of the year. The kind of cattle being fed would also indicate a similar development. Heifers usually reach the desired degree of fatness more quickly than steers. Heifers on feed October 1, however, were 7 per cent fewer than a year ago. Thus, with a smaller proportion of heifers being fed, marketings would tend to be delayed somewhat as compared with last year.

Smaller numbers of fed cattle, therefore, appear to be headed for market during the fourth quarter. Cattle feeders on October 1 indicated that they intended to market about 1 per cent fewer cattle during the period October through December than they did last year. Marketing intentions of Corn Belt feeders were about 3 per cent lower while intentions of feeders in western states were up slightly. In addition, market weights of fed cattle during the remainder of the year probably will average lighter than a year earlier and top quality beef production may thus decline more than is indicated by the expected lower marketings. Steers sold for slaughter during September at Chicago averaged nearly 40 pounds per head below a year earlier. Prices for fed cattle, therefore, would be expected to average close to present levels during the remainder of this year.

The estimated number of cattle now on feed remaining to be marketed after December 31 is about 4 per cent smaller than a year earlier, indicating that fed cattle marketings could continue somewhat below the relatively high levels of a year ago into the first part of 1965. Increased numbers of feeder cattle placed on feed during the fourth quarter, however, could alter this prospect.

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