

CATTLE AND SHEEP OUTLOOK

**Northwest Colorado EDCC
Regional Economic Development Forum
Craig, CO
March 5, 2025**

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LMIC
**Livestock Marketing
Information Center**

Mission Statement: Provide Timely and Comprehensive Livestock Marketing Resources Through Cooperation

Land Grant Universities (29):



USDA Agencies (8):

ERS
APHIS
GIPSA
NASS
WAOB
AMS
FAS
FCA

Associate Members (15):

AFBF
ASI
NCBA
NPB
NPPC
CME Group
Canadian Consortium
Noble Research Institute
CoBank
TCFA
TCU
AgWest Farm Credit
Daily Livestock Report (DLR)
Agri-Food and Agriculture Canada



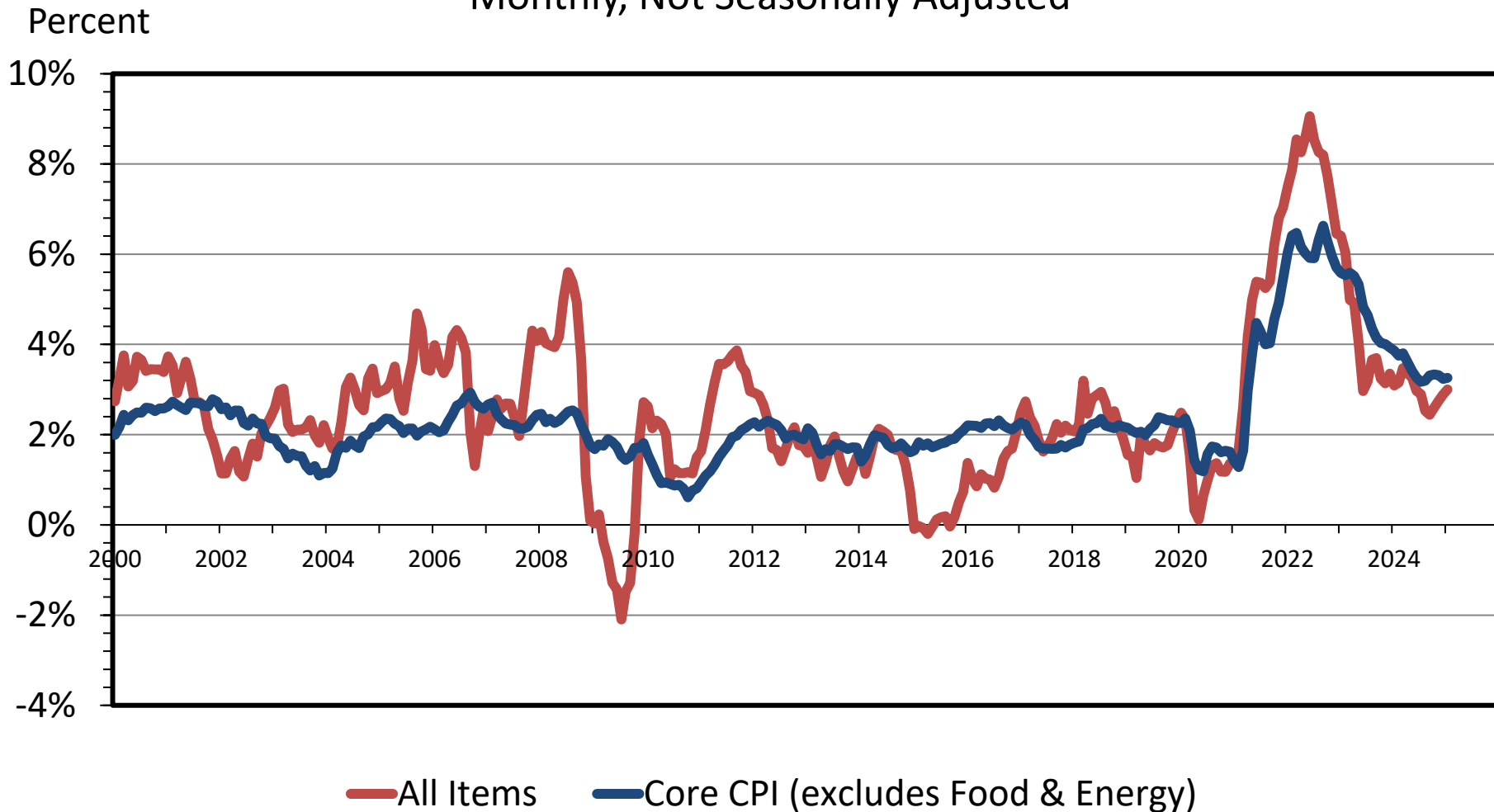
OUTLINE

- **Economy**
- **Forage and Crops**
- **Cattle & Beef Outlook**
- **Sheep and Lamb Outlook**

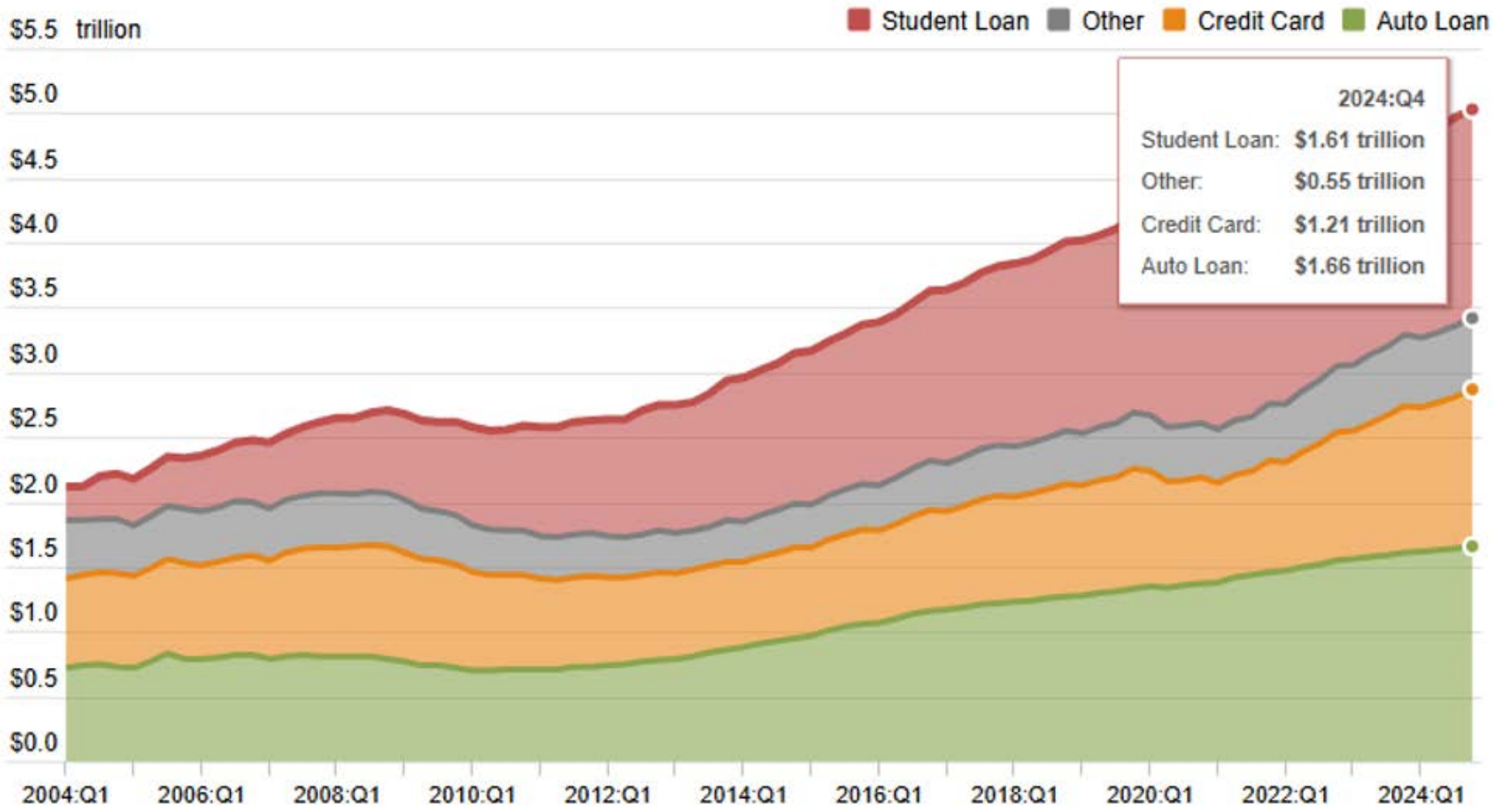


CONSUMER PRICE INDEX

Monthly, Not Seasonally Adjusted



Non-Housing Debt Balance



Source: FRBNY Consumer Credit Panel/Equifax

Data Source: Federal Reserve Bank of New York

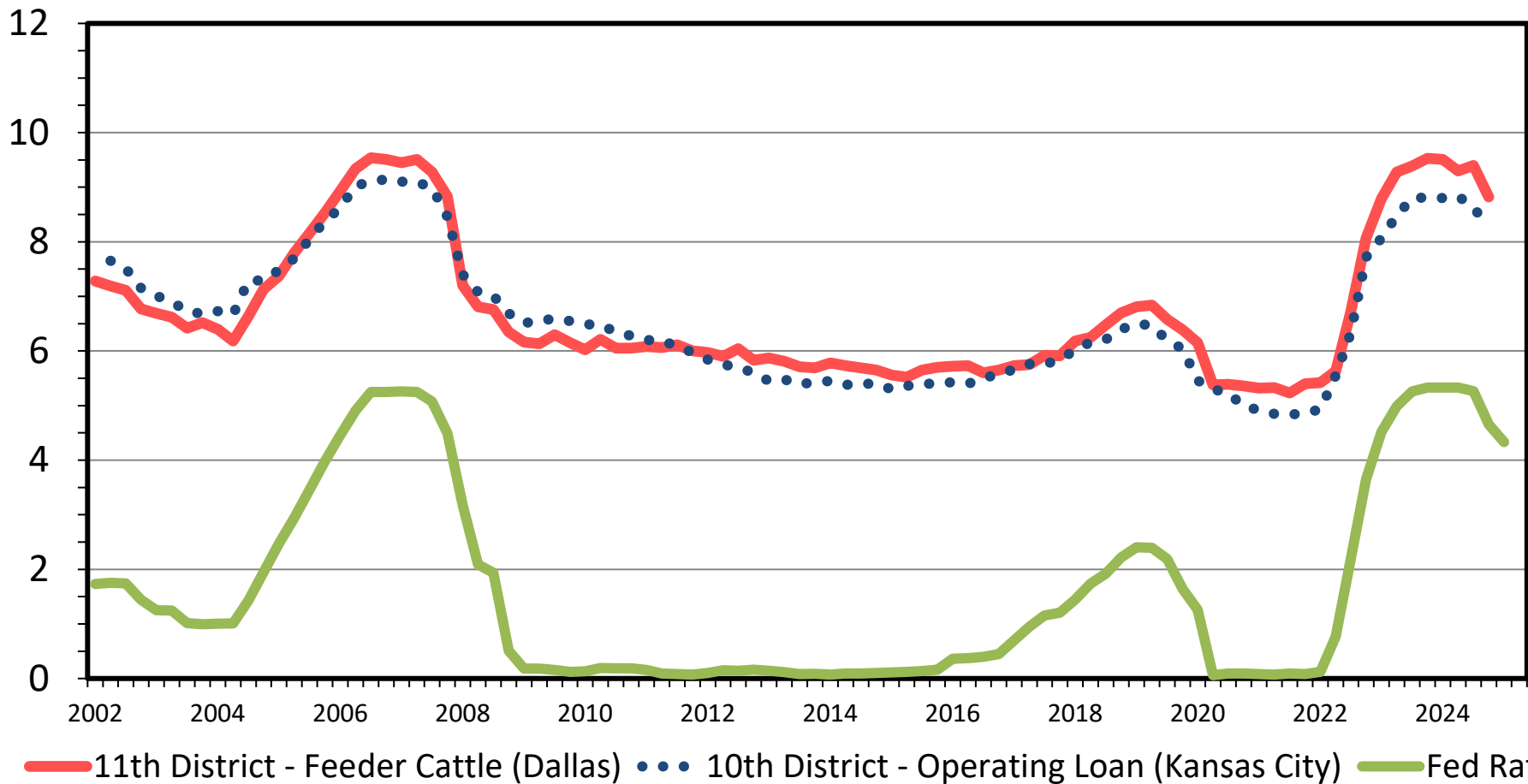
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Accessed: March 3, 2025

AGRICULTURAL VARIABLE INTEREST RATES

Quarterly

Percent



Data Source: Federal Reserve Bank of Kansas City & Dallas

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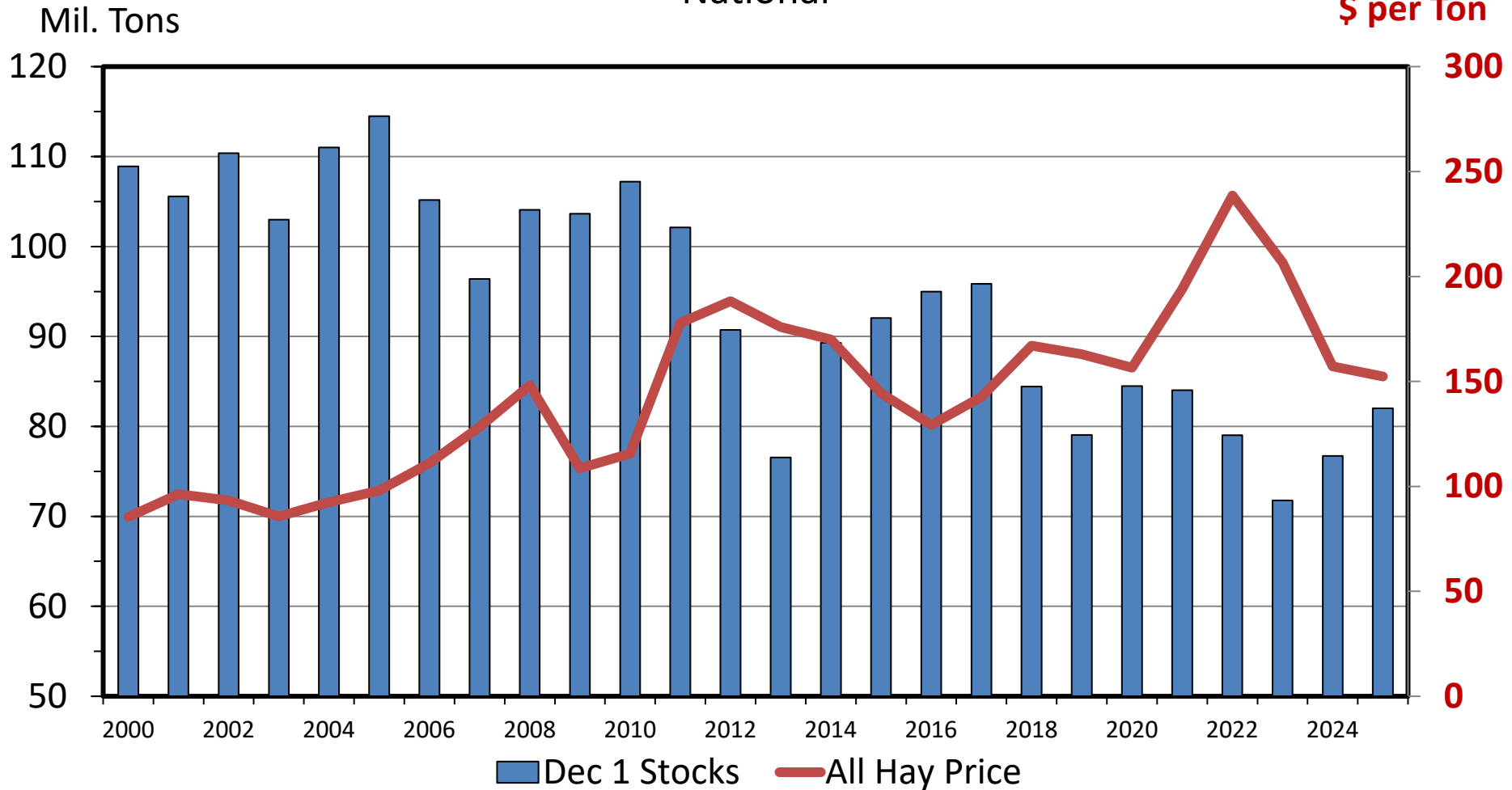
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Forage and Crops



US ALFALFA HAY STOCKS & PRICE

National

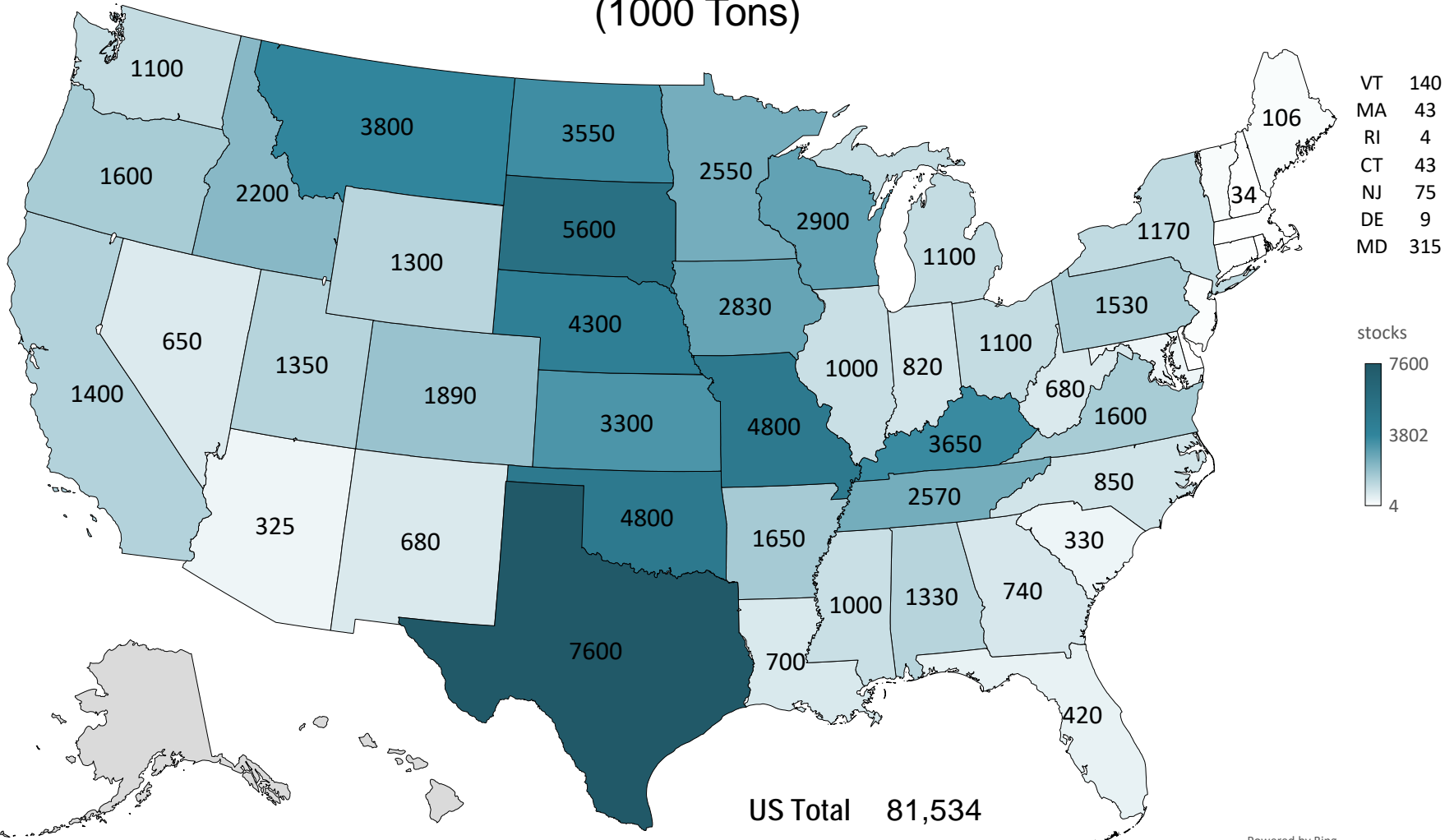


Data Source: USDA-NASS, Forecasts by LMIC

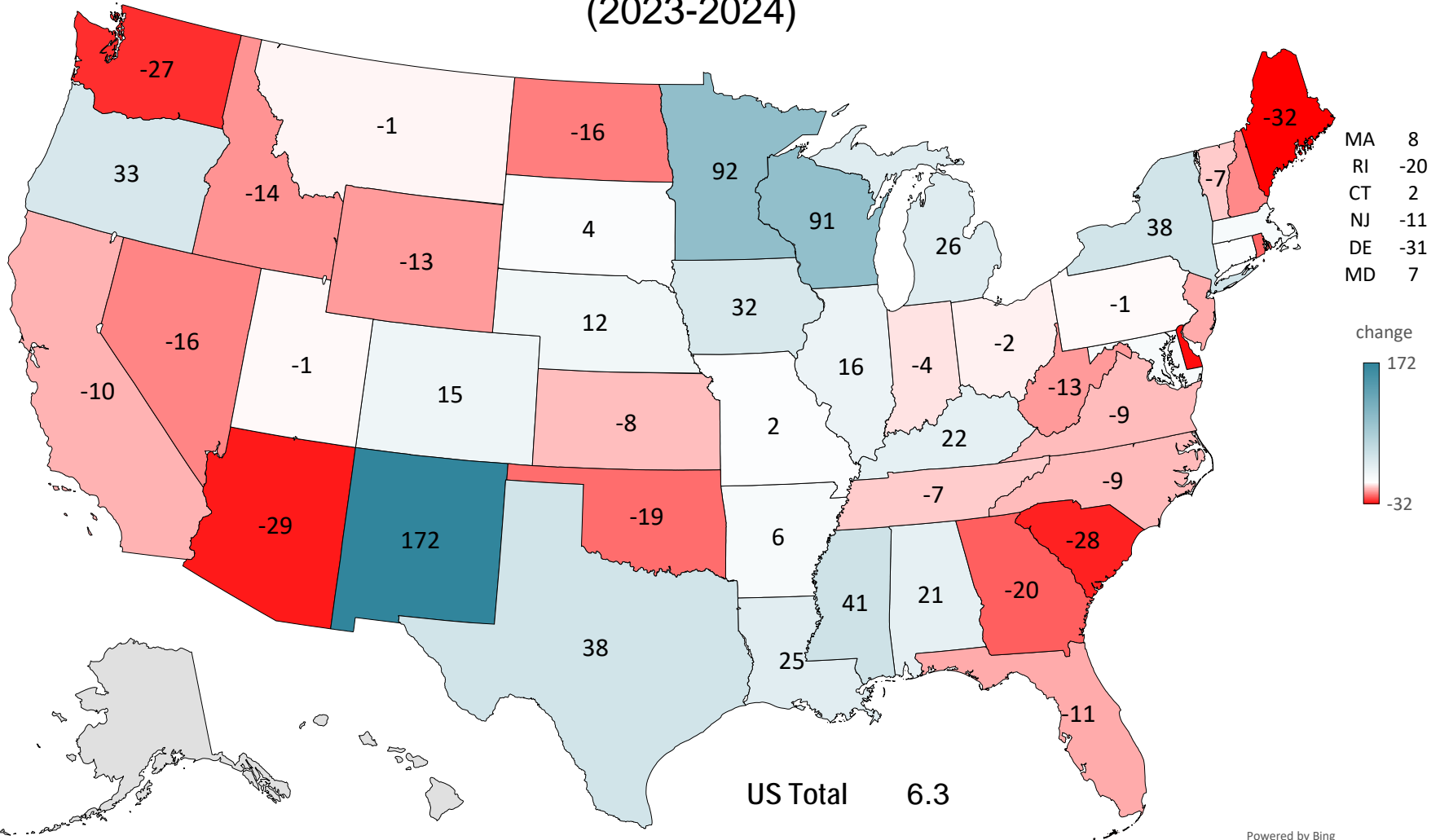
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2024 DECEMBER 1 HAY STOCKS

(1000 Tons)



PERCENT CHANGE DECEMBER 1 HAY STOCKS (2023-2024)



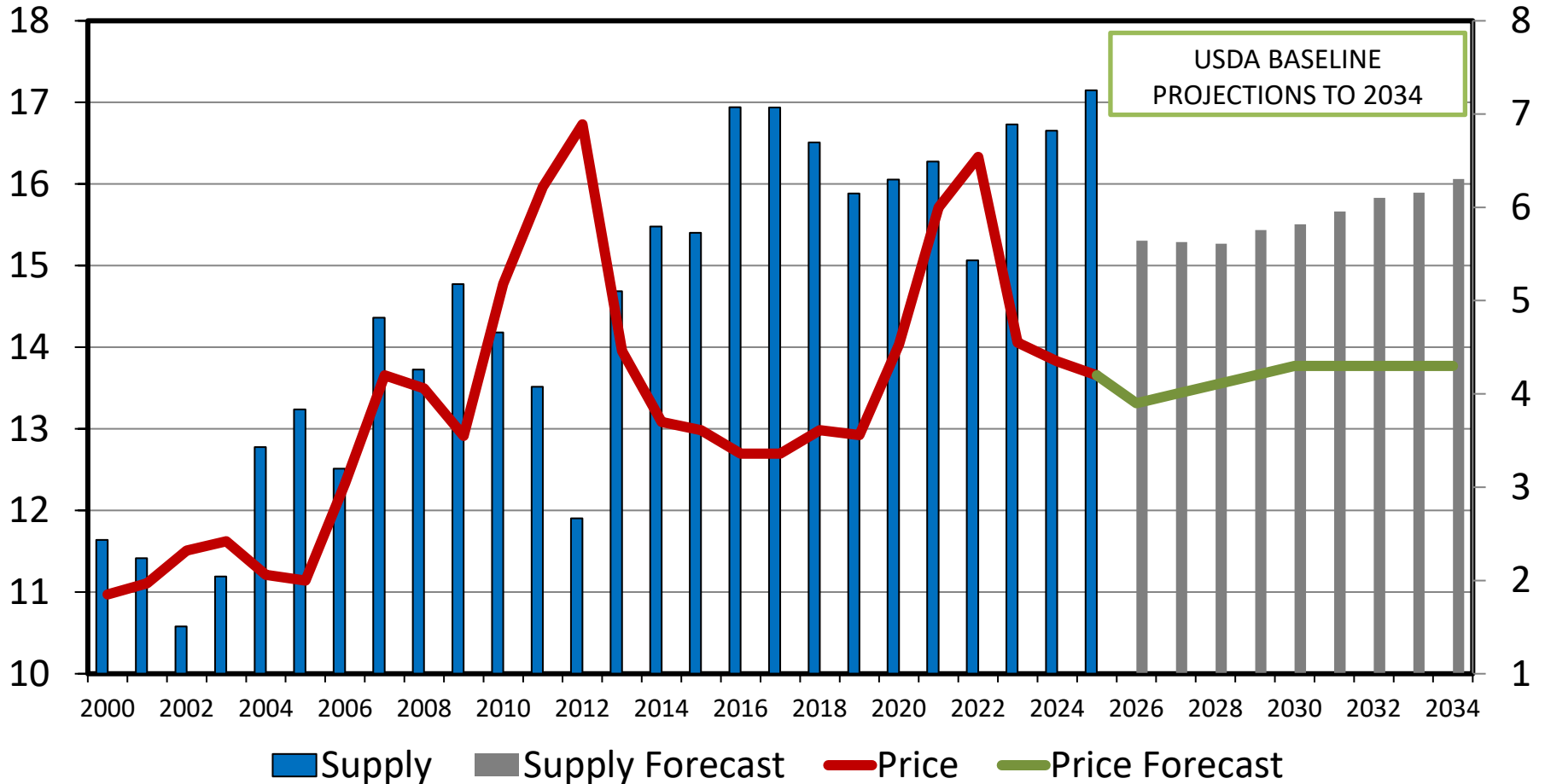
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US TOTAL CORN SUPPLY AND PRICE

Crop Year

Bil. Bushels

\$ Per Bushel



Data Source: USDA-NASS, Compiled & Forecasts by LMIC

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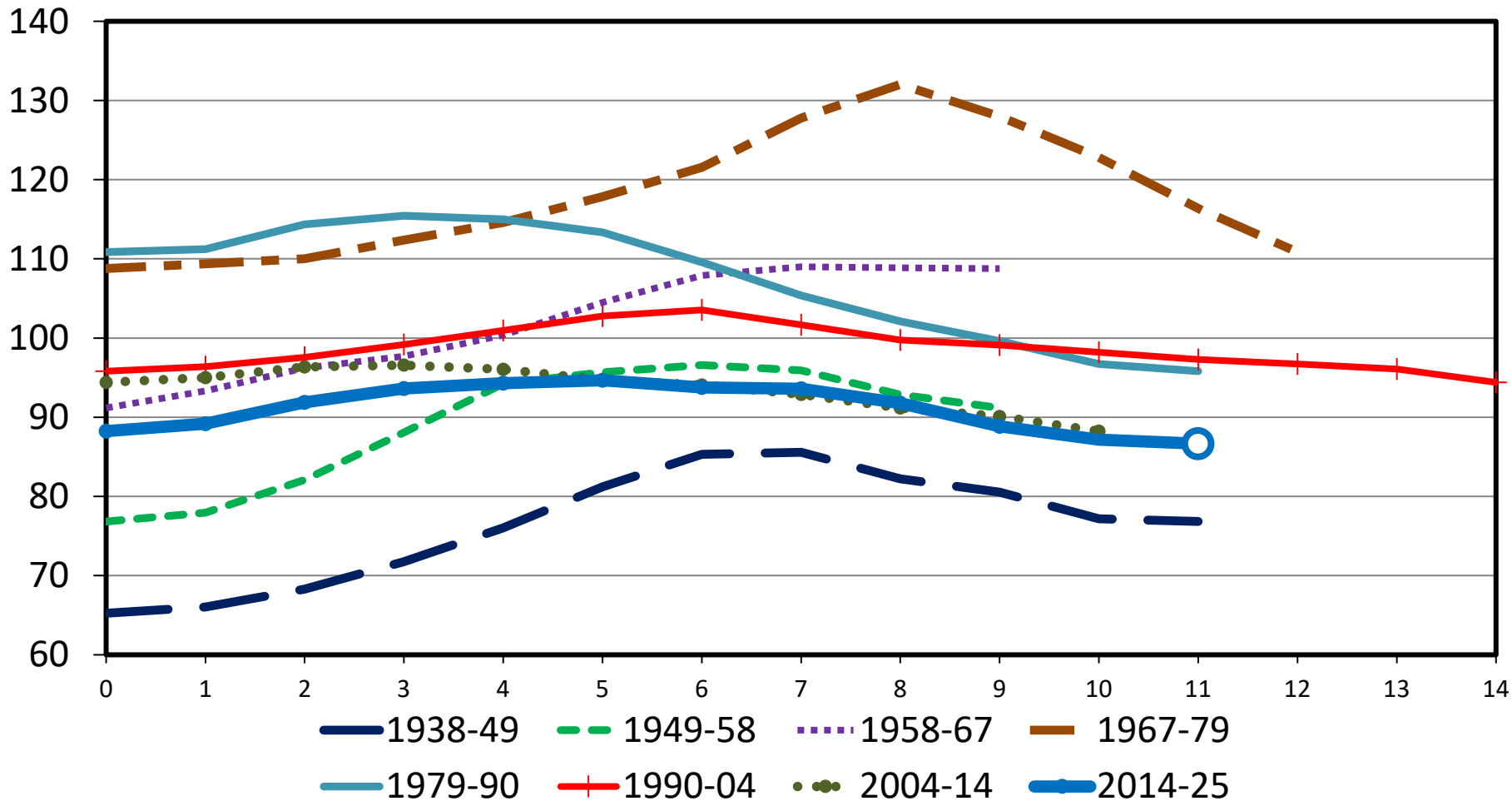
Cattle and Beef Outlook



TOTAL CATTLE INVENTORY BY CYCLE

U.S., January 1

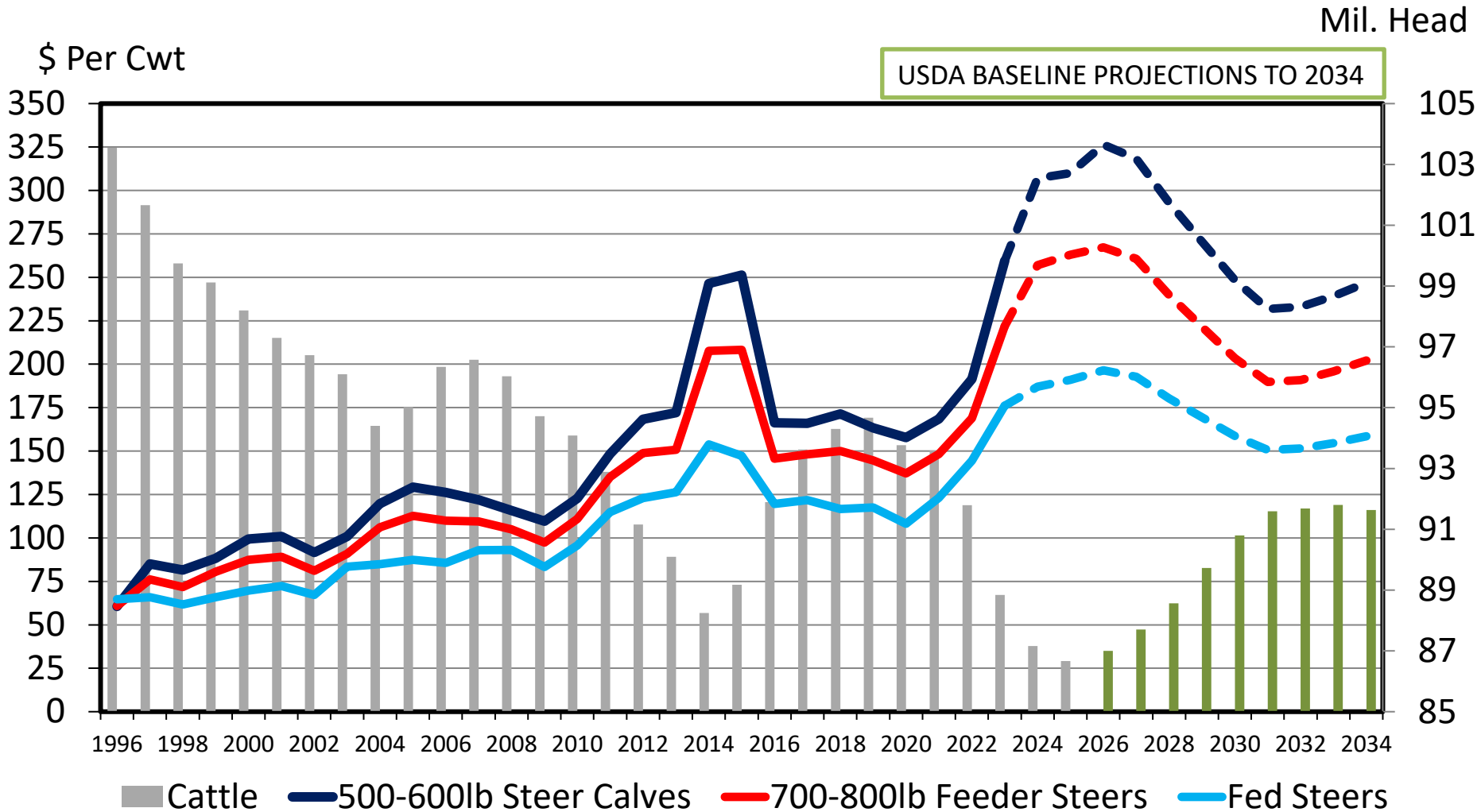
Mil. Head



Data Source: USDA-NASS

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AVERAGE ANNUAL CATTLE PRICES & INVENTORY

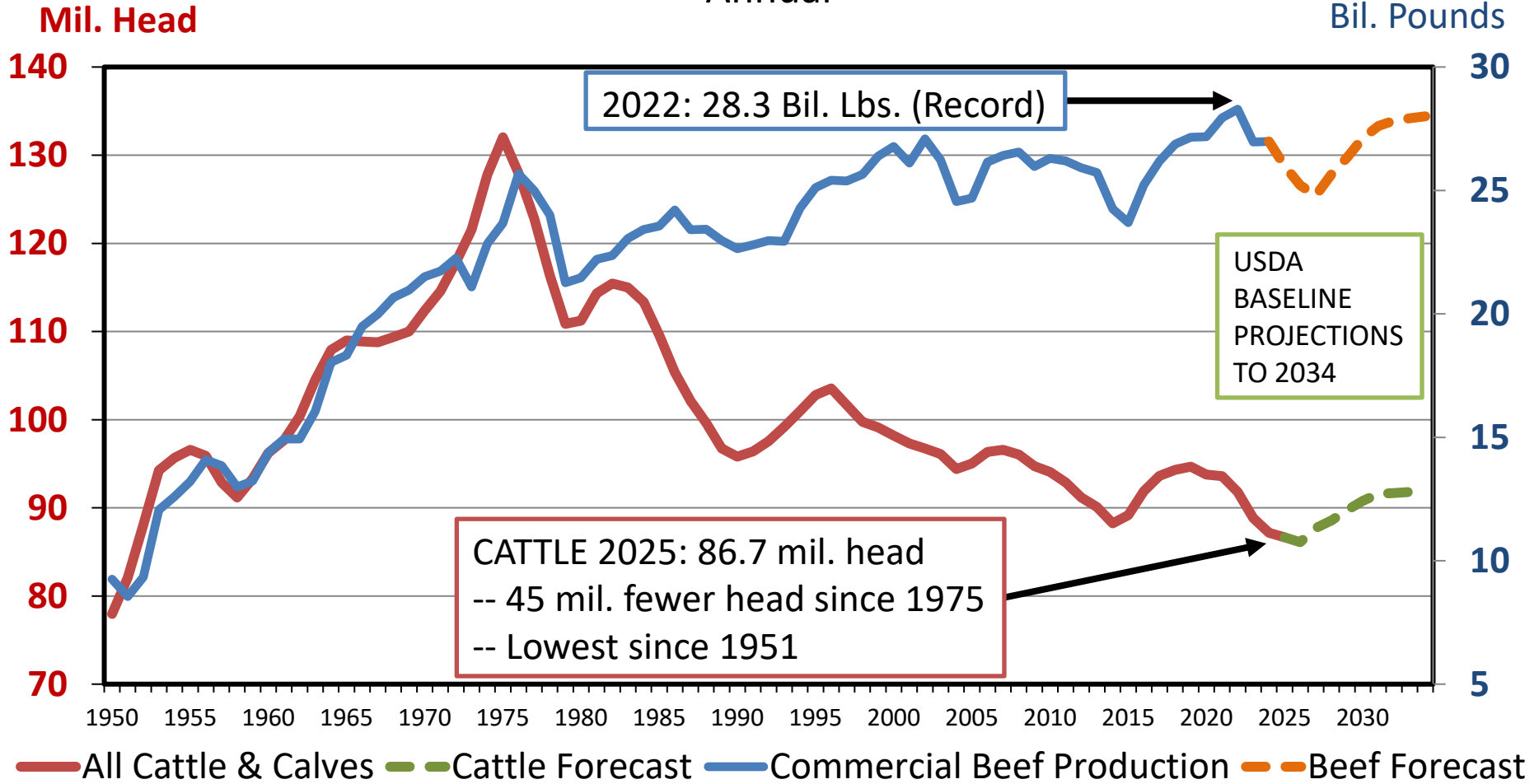


Data Source: USDA-AMS, Compiled by LMIC

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CATTLE INVENTORY & BEEF PRODUCTION

Annual



Data Source: USDA-NASS Compiled by LMIC

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AGRICULTURE & BUSINESS MANAGEMENT

DECISION TOOL

COLORADO STATE UNIVERSITY EXTENSION



What Can You Afford to Pay for a Bred Beef Cow? v23.9

Authors: Jeffrey E. Tranel, Jenny Beiermann, and R. Brent Young

ASSUMPTIONS FOR COW HERD

Cows:			Calves:		
Number in Herd (head)	250		Total Number Weaned (head)	229	
Replacement Rate	20%		Actual Weaning Rate	92%	
Number to be Sold (head)	50		Weaned Calves as Steers	50%	
Salvage Value (per cow)	\$1,000		Steer Calves:		
Average Annual "Cow Costs" (per head)	\$900		Number Weaned (head)	115	
Annual Increase in "Cow Costs"	0%		Average Weight at Weaning (lbs/head)	600	
Replacement Heifers:			Heifer Calves:		
Retention Rate	15%		Number Weaned (head)	115	
Number (head)	37		Number Retained (head)	37	
Number of Heifers Culled as Yearlings (head)	(13)		Number to be Sold (head)	78	
Value of Heifers Culled as Yearlings (per head)	\$1,200		Average Weight at Weaning (lbs/head)	550	
Desired Return on Investment	4%				

OUTLOOK FOR CALF PRICES

	Steers	Heifers
Year 1	\$2.90	\$2.80
Year 2	\$3.00	\$2.90
Year 3	\$2.80	\$2.70
Year 4-8	\$2.60	\$2.50

How Much Can You Afford to Pay?

\$3,179	8-Year Productive Life
\$2,495	5-Year Productive Life
\$1,870	3-Year Productive Life

Things to Consider:

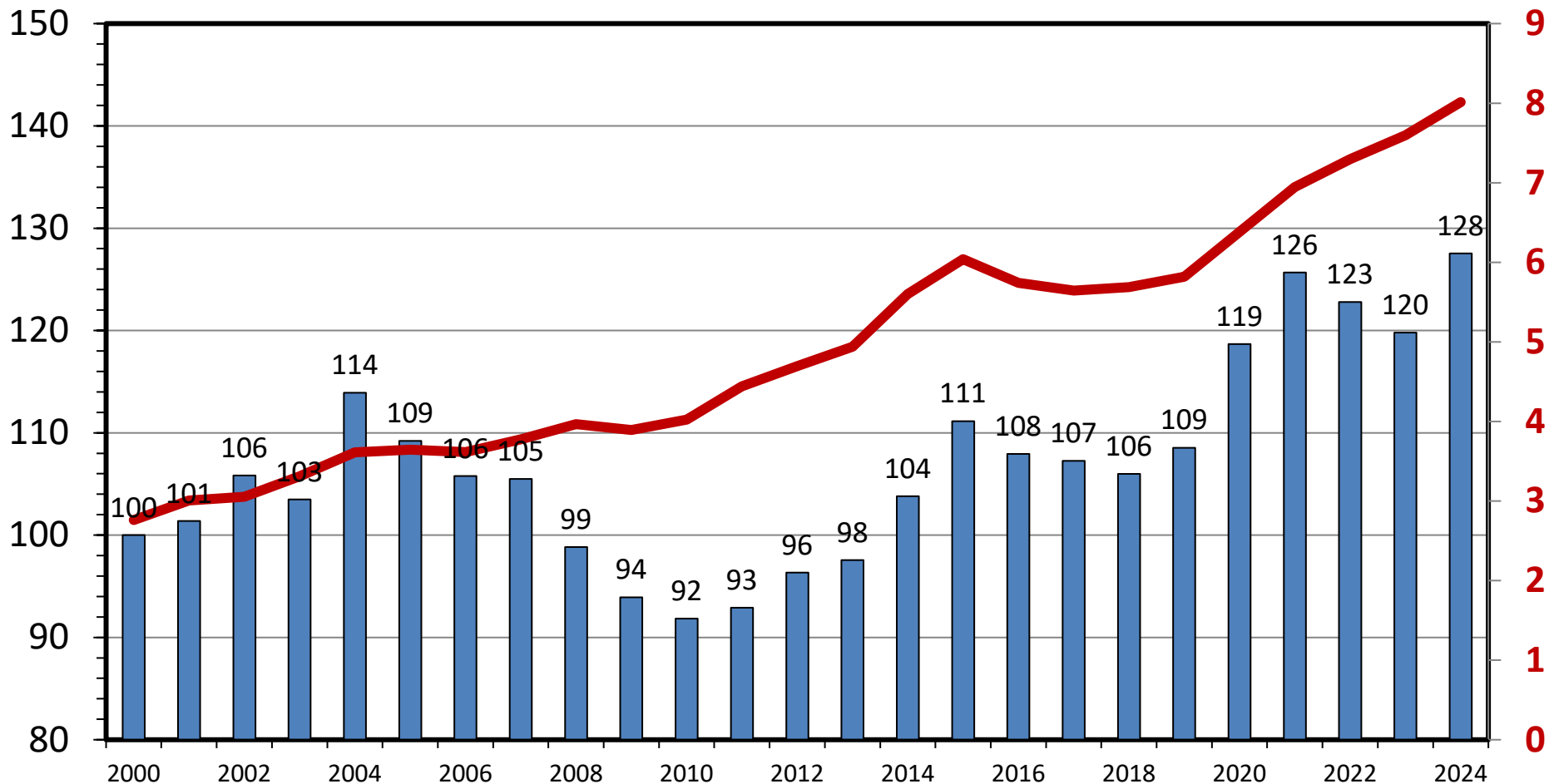
- Interest Rate: 8%-9%, What is needed to encourage herd expansion?
- Hay Price: \$150-\$175 per ton, lowest in 3-4 years. Transportation Cost?
- Steer and Heifer Calf Prices: \$250-\$320 per cwt?
- Cull Cow Value: \$100 per cwt?

RETAIL ALL FRESH BEEF DEMAND INDEX

Annual, Using CPI 2000=100

Beef Demand
Index Value

\$ Per Pound



Data Source: Bureau of Labor Statistics, USDA-ERS, Compiled & Analysis by LMIC

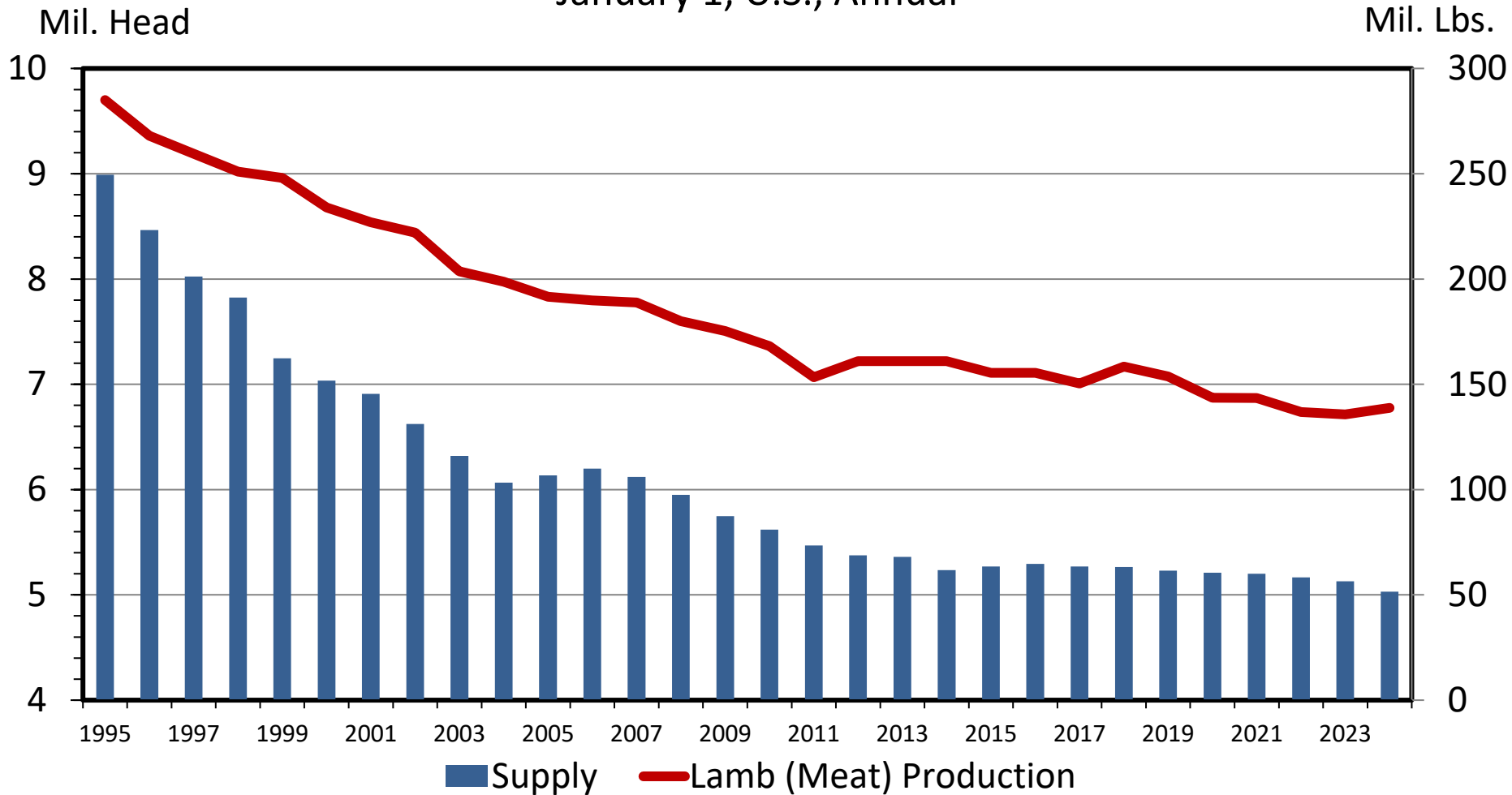
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Sheep & Lamb: Price Discussion



TOTAL SHEEP & LAMB POPULATION

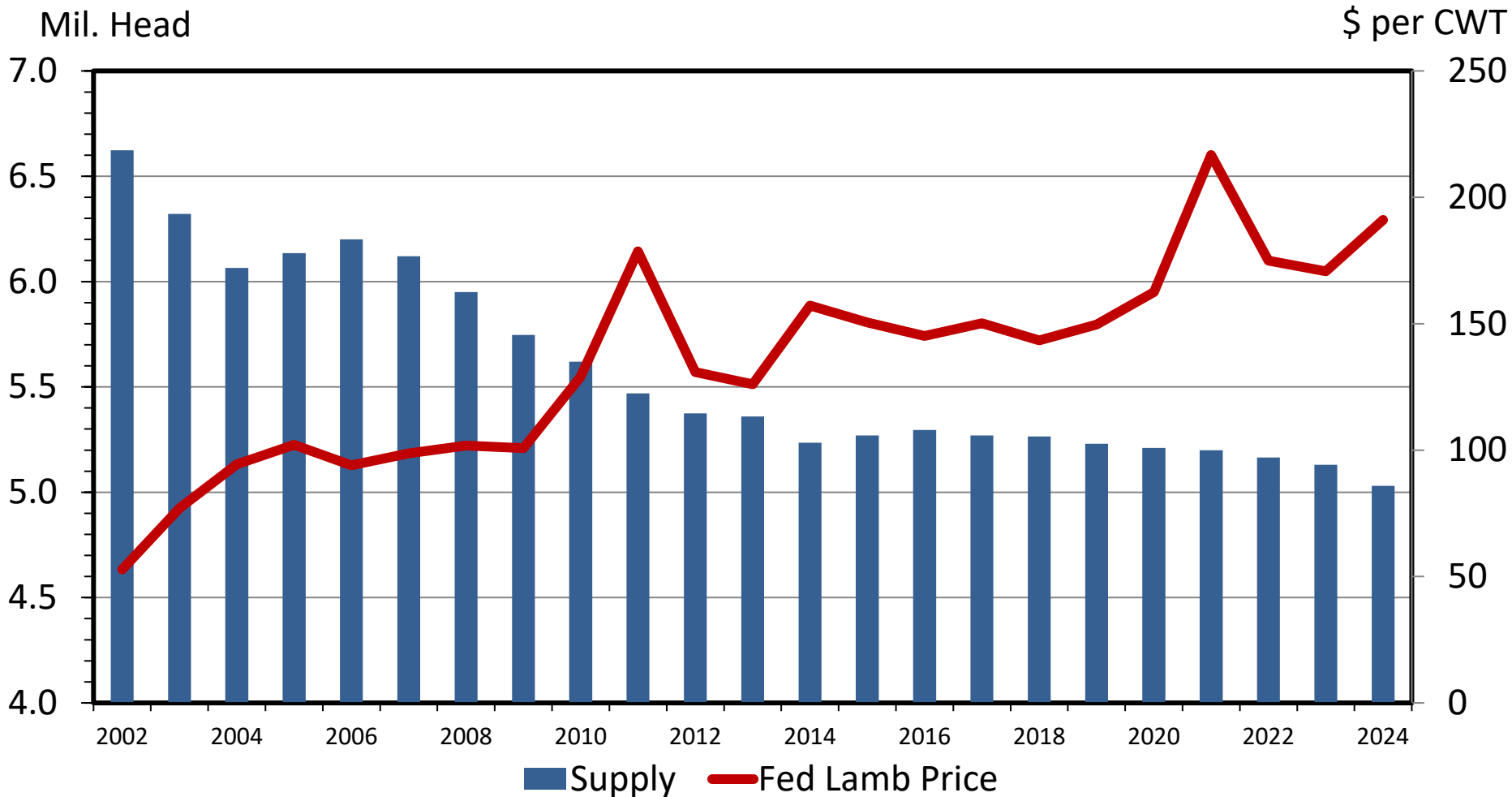
January 1, U.S., Annual



Data Source: USDA-NASS

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TOTAL SHEEP & LAMB POPULATION & PRICE



Data Source: USDA-NASS

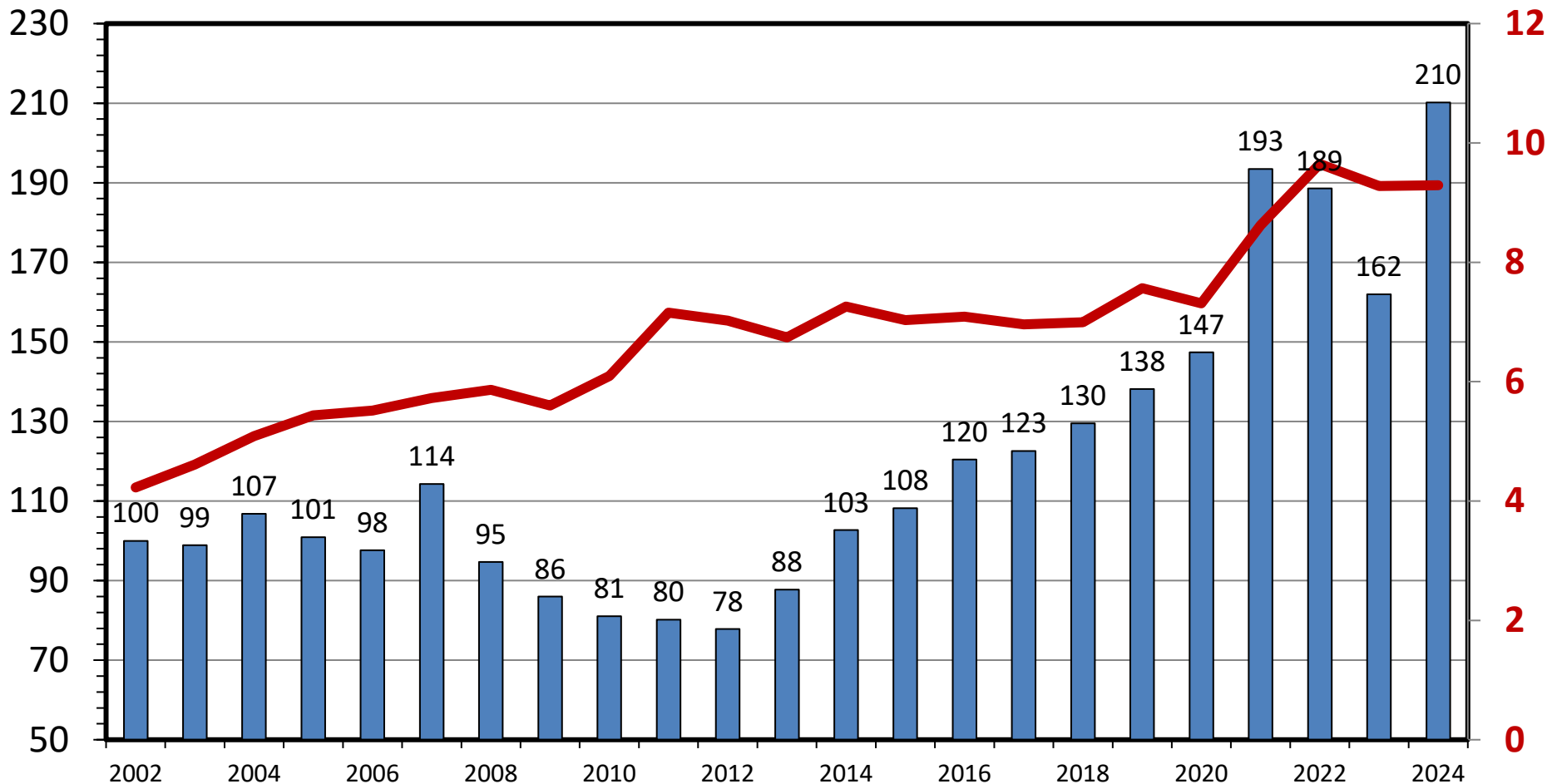
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RETAIL LAMB DEMAND INDEX

Annual, Using CPI 2000=100

Lamb Demand
Index Value

Retail Price
\$ Per Pound



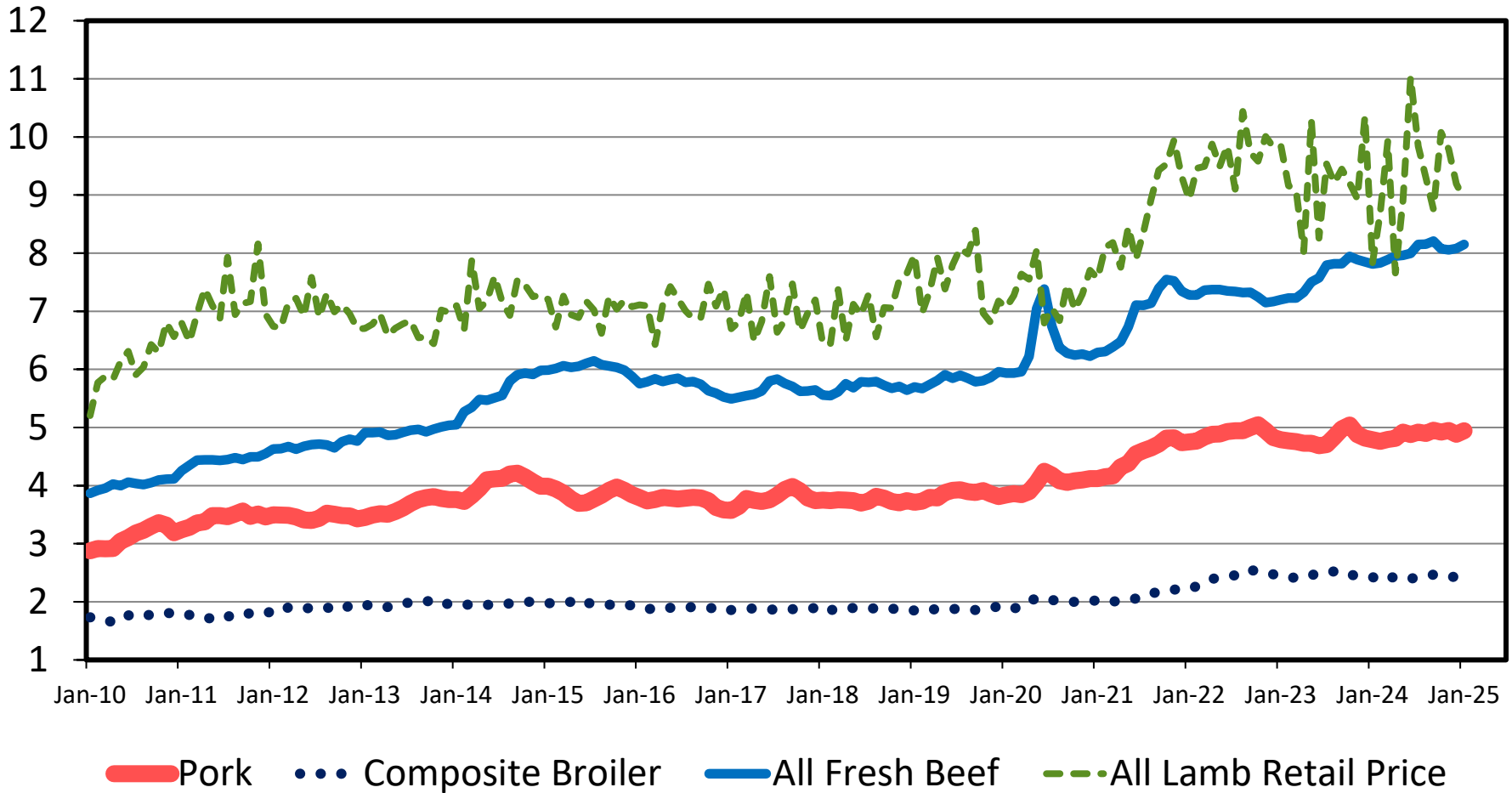
Data Source: USDA-ERS & AMS, Compiled & Analysis by LMIC

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RETAIL PRICE COMPARISON

Monthly

\$ Per Pound

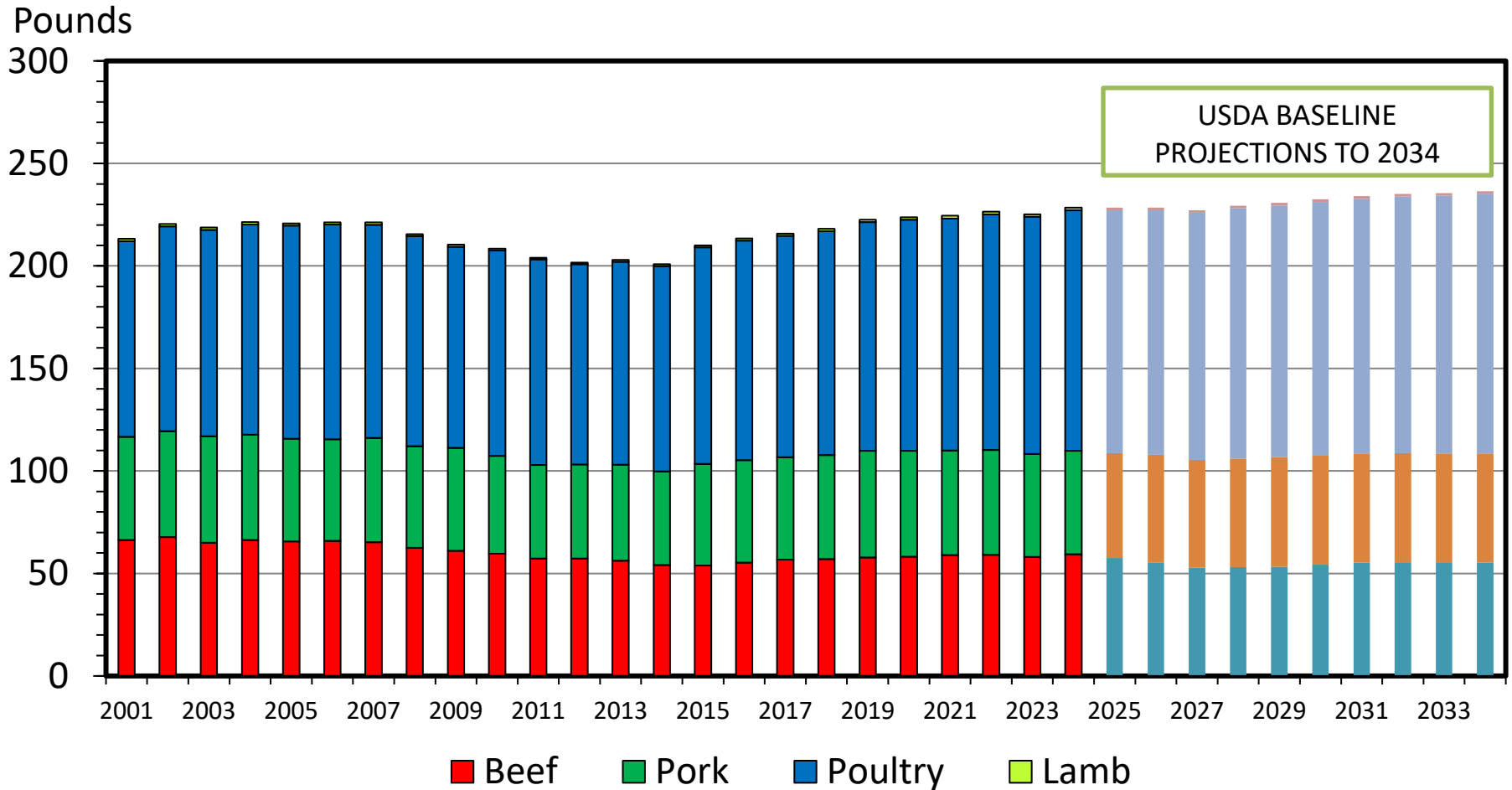


Data Source: Bureau of Labor Statistics, USDA-AMS & USDA-ERS

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US RED MEAT & POULTRY CONSUMPTION

Per Capita, Retail Weight, Annual



Data Source: USDA-NASS and USDA-ERS, Compiled & Analysis by LMIC

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THINGS TO CONSIDER

- Drought and Pasture Conditions
 - Feed Availability
 - Feed Costs
- Economy/Inflation/Trade
 - Interest Rates
 - Domestic Consumer Demand
 - Global Demand, Exchange Rates

THANK YOU!

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