

Evan Disher

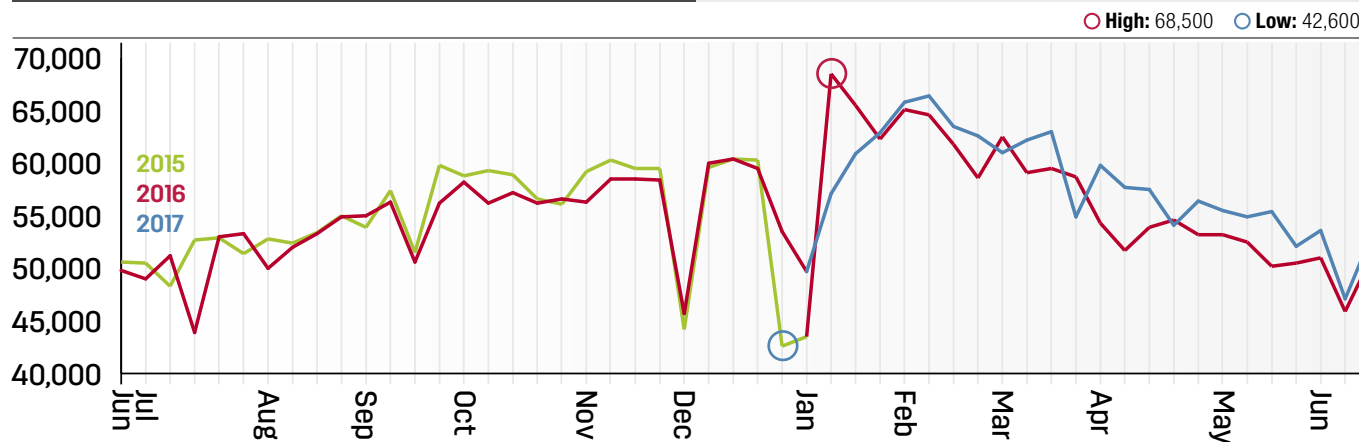
Dairy Adviser
Stewart-Peterson Inc.
edisher@stewart-peterson.com



Dairy slaughter for the week ending June 10 was 52,700 head, which is a 5,600-head increase from the previous week's total and 2,000 head more than the same week last year. Year-to-date, dairy slaughter is 1.337 million head compared to 1.308 million head slaughtered last year. In the June 19 Milk Production report, the USDA reported U.S. dairy herd size for May 2017 at 9.393 million head, which is 2,000 head more than February. Year-to-date, the U.S. herd size in 2017 has increased by 39,000 head.

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DAIRY SLAUGHTER - 2 years



The U.S. average price for dairy cows in April was \$72.20 per hundredweight, up \$2.70 from March and down \$9.30 from April 2016. The seasonal pattern calls for prices to pick up into summer and stay mostly steady until a decline in fall.

In the June 22 USDA Cold Storage report, May total beef stocks were down 10 percent from April and decreased 11 percent from last year. On June 23, the USDA Cattle on Feed report put June 1 inventory at 11.096 million head. This was 2 percent higher than the same month last

year. The report also put May feedlot placements at 2.119 million head, which is 12 percent more than April 2016. Finally, cattle marketed in May totaled 1.951 million head, which is a 9 percent increase from last year.

Both live cattle and feeder cattle prices have pulled back a bit off the recent contract highs made during the past move. The market looks to be going through some consolidation at these higher levels. Pasture and range conditions in the Dakotas are coming into focus, as much of North Dakota, South Dakota and

parts of Montana are experiencing moderate to severe drought conditions. Conditions in this part of the nation began to decline during the last week of May, when pastures rated very poor increased by 5 percent that week. Over the following two weeks, very poor pasture conditions increased another 15 percent.

The recent surge in cattle prices has created an opportunity to protect higher beef prices not seen for almost a year. Producers should have a plan in place to protect these prices should market sentiment take a turn. ↗