



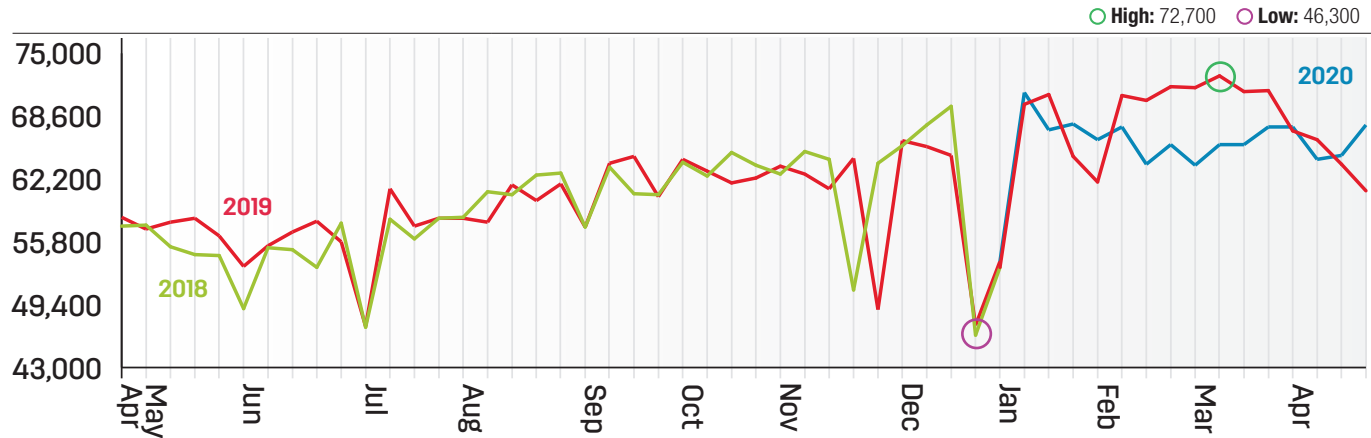
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The turmoil caused by coronavirus continues to ripple through all of our livestock industries. All species are experiencing demand and supply issues at the consumer, wholesale, processor and farm levels.

The cull cow market has weathered the storm a little better than the fed cattle and calf markets. Cow prices have generally risen due to a couple of meat market factors. The first is: As restaurants shut down and consumers stampeded grocery stores, stores had to replenish their supplies, adding to wholesale ground beef demand. The second is: Grocers began to account for a serious recession in their purchases, leading them to want to stock even more ground beef and fewer steaks. Then the virus caused packing plants to slow production or even

DAIRY COW SLAUGHTER - 2 years



close down. The packing plant logjam has cut beef supplies drastically, causing meat prices to skyrocket. So we have a combination of demand and supply shifts hitting the market.

Cull cow prices have hit upward of \$60 per cwt in some markets, higher than a year ago. In the wholesale beef market, 90% lean beef has climbed 14%, to \$255 per hundredweight (cwt) in the last few weeks at the time of this writing. The 50% lean price has gone from \$28 per cwt to \$210 per cwt over the same

period. Chucks and rounds, commonly ground, have increased by 87% and 117%, respectively.

Beef cow slaughter has declined dramatically, down 24% over the last month. Dairy cow slaughter typically declines this time of year but, with disastrously low milk prices, dairy cow slaughter last week was 10% above the same week a year ago and 22% above the five-year average. Cow slaughter in Region 3, which includes Pennsylvania, is down 24% over the last month

compared to a year ago, reflecting a cow plant closure. Total cow slaughter is down about 5%.

Low milk prices will likely keep dairy cows coming to market. Slower beef cow slaughter indicates potentially more plant closure issues. Ground beef demand and supply issues should support cow prices in coming weeks. ↗

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