

## Evan Disher

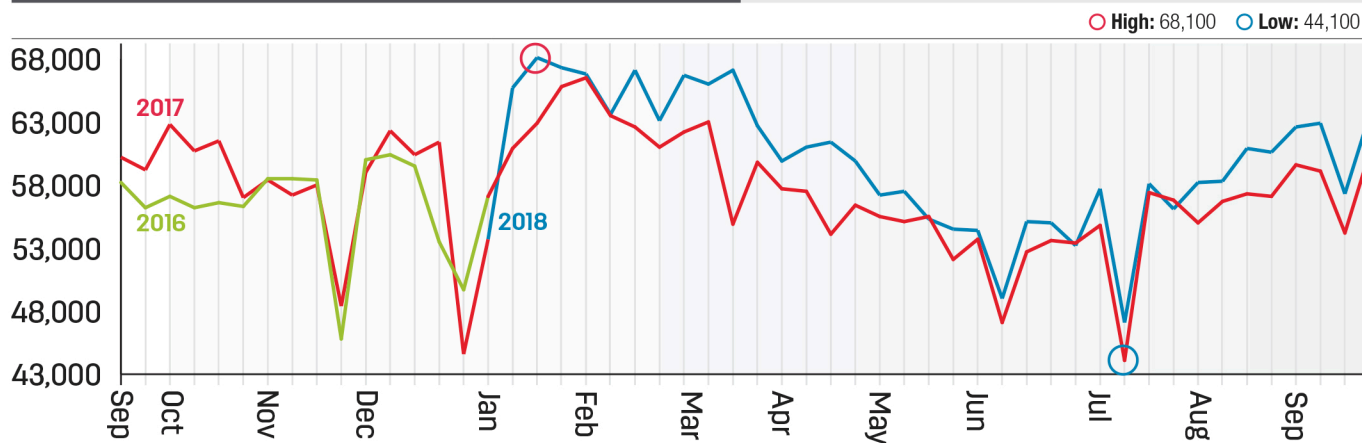
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Dairy slaughter for the week ending Sept. 8 was 57,300 head, which is a 5,600-head decrease from the previous week's total. It is 3,200 head more than the same week last year. Year-to-date, dairy cow slaughter totals 2.151 million head compared to 2.055 million head slaughtered through the same week last year. In the Sept. 19 Milk Production report, the USDA reported U.S. dairy herd size for August 2018 at 9.4 million head, which is a 5,000-head increase from July. Year-to-date, the U.S. herd size in 2018 is unchanged from December 2017.

The U.S. average price for dairy cows in July was \$66.80 per hundredweight, up 50 cents from June and down \$10.50 from July 2017. The seasonal pattern calls for prices to

## DAIRY COW SLAUGHTER - 2 years



move higher toward the seasonal peak in August, then sliding lower from there.

In the Sept. 24 USDA Cold Storage report, August total beef stocks were up 4 percent from July and were 6 percent higher than last year. On September 21, the USDA Cattle on Feed report put Sept. 1 inventory at 11.125 million head. This was 6 percent higher than the same month last year. The report

also put August feedlot placements at 2.07 million head, which is 7 percent higher than the same month last year. Finally, cattle marketed in August totaled 1.983 million head, which is unchanged from last year.

Live cattle and feeder cattle futures have formed an uptrend as of late, with buyers supporting price higher to the top side. The individual contracts double-bottomed back in May and are now working their way

higher, having just previously put in new highs of the year in several contracts. There is some talk the recent price rally could stall in the short term due to large supplies and a big increase in feedlot placements in the most recent Cold Storage report, however.

With cattle futures contracts near 2018 highs, producers should have a plan in place to protect prices from potential future declines. 🐄