

Bone Dry

Worsening drought conditions impacting cow herds.

by Sydnee Shive

“It’s dry out west.”

A common phrase uttered in conversation among producers. Nearly half of the continental U.S. was experiencing some form of drought — moderate, severe, extreme or exceptional — the week of June 28, according to the U.S. Drought Monitor (Figure 1). Exceptional drought conditions existed from southeast Texas up to north-central Montana and out to the Pacific. USDA estimated 35% of the nation’s hay acreage and approximately 50% of the nation’s cattle were within areas experiencing drought.

At the time, the Climate Prediction Center forecast drought to persist through the end of September (Figure 2) from the Southern Plains up to western South Dakota and in much of the area west of that line — basically the western half of the U.S.

Forage frustrations

Pasture and range began the growing season with the worst overall quality ratings in about three decades. The Livestock Marketing Information Center (LMIC) forecasts hay prices to reach record highs this year as high fertilizer prices also reduce production in some non-drought areas. The average all hay price for the U.S. was \$34 higher year over year in May (+19.3%) at \$210 per ton, according to the June Agricultural Prices report from USDA’s National Agricultural Statistics Service. The average U.S. alfalfa hay price of \$244 per ton was \$50 higher (+25.8%).

One bright spot was increased hay harvested acreage. There are 51.5 million acres harvested for all hay this year, according to the USDA Acreage report in June. That is 771,000 acres more (+1.5%) than last year.

Decreasing herd numbers

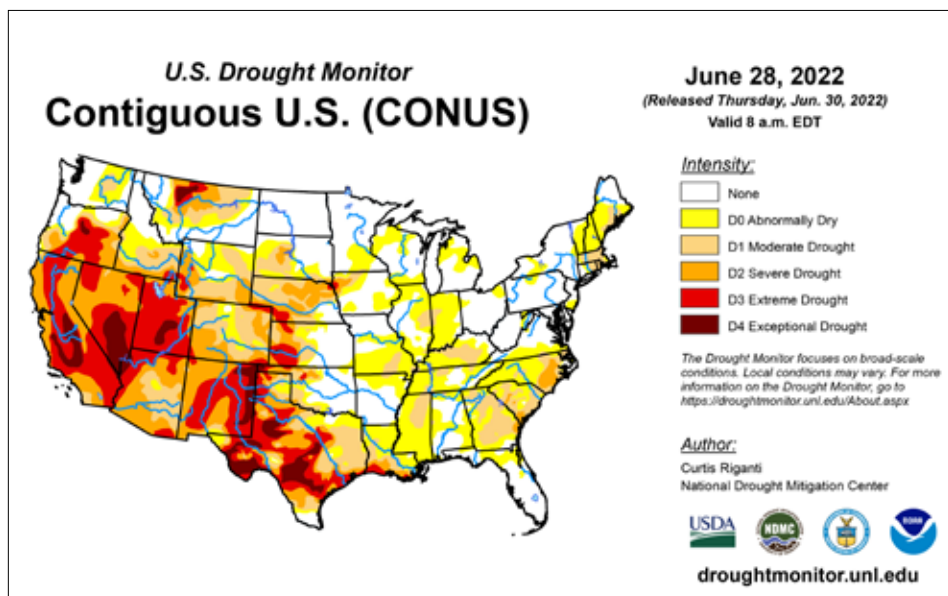
“Drought and pasture conditions improved from last month, but the situation is still very poor compared to last year and previous years,” said analysts with USDA’s Economic Research Service, in the June Livestock, Dairy and Poultry Outlook. They explained, drought and increased input were likely much of the impetus behind the 15% year-over-year increase in beef cow slaughter at the time.

Derrell Peel, Extension livestock marketing specialist at Oklahoma State University pointed out in mid-June that beef cow slaughter last year was 9% more than the year before. Given beef cow slaughter so far this year, he said a significant level of culling was guaranteed, perhaps as many as 1 million cows.

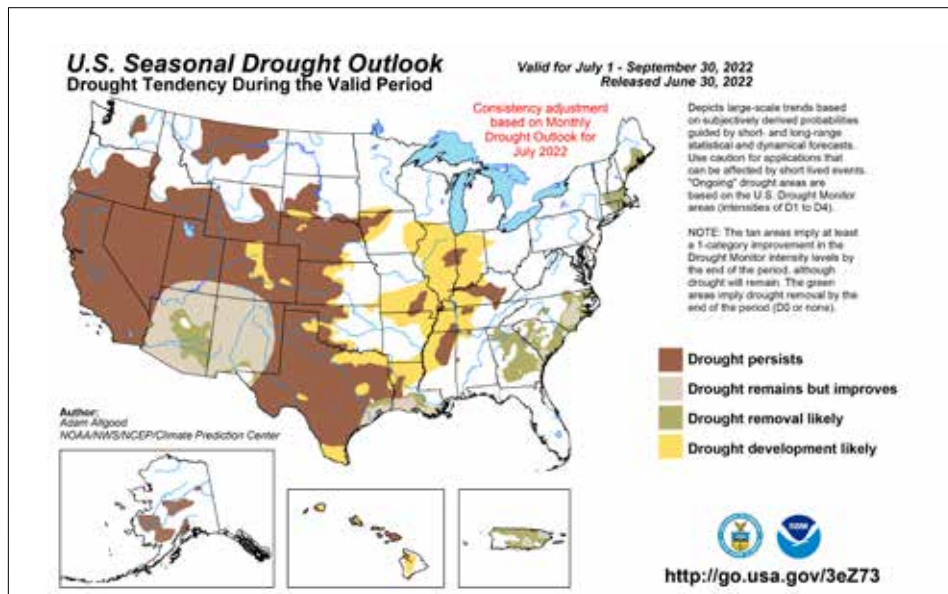
For perspective, beef cows numbered 31.1 million head on Jan. 1 this year, according to the USDA Cattle report. That was 2.3% less than the previous year and 1.7 million head fewer (-5.3%) than the recent peak in 2019 when the Jan. 1 number was 31.8 million head.

Beef heifers retained for replacement Jan. 1 of 5.6 million head were 3% less year over year. Elevated levels of fed heifer slaughter through the first half of this year suggested the trend will continue.

Unfortunately, persistent La Niña in mid-June offered little optimism to extended weather forecasts. At the time, the National Weather Service Climate Prediction Center forecast above-normal temperatures across nearly the entire continental United States from August through December. Precipitation was forecast below normal for much of the nation during the same time period. **HW**



Nearly half of the continental U.S. was experiencing some form of drought, impacting approximately 50% of the nation’s cattle.



Drought is predicted to persist in the Western half of the United States through September.