Cow Country Reporter

May 2025 Volume 17 Issue 5

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News from your CEO

I had planned to start out our May CPL Country Reporter with a market summary of record prices, however, every week in April both the calves and feeders broke "all-time records" as did the slaughter steer and heifer (fat cattle) market. So, by the time y'all get this report these prices will be "old news."

Superior Livestock Auction held their annual Gulf Coast Classic sale in Natchitoches, LA on April 16 and 17, 2025. Compared to last year at this same sale prices were sharply higher, $50.00 cwt. -$60.00 cwt. for loads of mixed steers and heifers under 600 lbs. and $30.00-$40.00 cwt. higher for loads of mixed steers and heifers over 600 lbs. WOW!!!

Louisiana ranchers started harvesting hay in April and timely rains allowed these ranchers to get their first cut of hay for this year with rains coming after harvest (for the most part). Forages have been good this Spring and cattle have performed well. Please, stay current on the market, have a price in mind and sell when your calves meet those price levels. Do not hold out for more money when you are already making $300.00 per head (or higher) than those calves brought last year.

Go to our website lacattle.org and click on "Helpful Links" for up-to-date market info. Check out Corbitt Wall on National Beef Wire, "Feeder Flash" for current market info. Keep those calves alive and growing.

Dave Foster, CEO

Regional Feeder Cattle Prices

By: Derrell S. Peel, Oklahoma State University Extension Livestock Marketing Specialist

Cow-calf production is widespread across the country. According to the Cattle report for January 1, 2025, the five largest beef cow states have 39.1 percent of the total beef cow herd but a total of 18 states have at least 2 percent of the total beef cow inventory. The majority of calves move to the middle of the country as stocker or feeder cattle and are assembled into larger groups, culminating in relatively concentrated feedlots. The top five cattle feeding states have 71.9 percent of total cattle on feed. Most feeder cattle change hands at least once to as many as four or five times by the time they are finished in the feedlot. Feeder cattle prices are the thread that connects and coordinates production and marketing between sectors that frequently have no contact beyond market transactions.

Feeder cattle prices around the country reflect local supply and demand conditions and the economic process of moving cattle to the middle of the country where feedlot production is concentrated. Figure 1 shows the average price of 500-pound, M/L, No. 1 steers in selected states for the first three weeks of April. The map illustrates the typically pattern of prices across the U.S. The prices range from a high of $410.01/cwt. in Nebraska to a low of $362.66/cwt. in Mississippi, a spread of 11.5 percent from high to low. It is generally true that the highest feeder cattle prices will be in Nebraska with prices declining in all directions away from Nebraska.

The pattern for bigger feeder cattle is similar. Figure 2 shows the average prices of 800-pound steers in April. Prices range from the Nebraska high of $315.05/cwt, to the Mississippi low of $256.81/cwt. The spread from high to low is 18.5 percent. Most of the regional price differences are explained by the transportation costs to cattle feeding areas with the discounts bigger for heavy feeder cattle, which cost more (on a per head basis) to ship.

Feeder cattle markets reflect the economic principle of the "law of one price". This concept states that prices are equivalent when adjusted for differences in time, place and form. Feeder cattle prices differ according to location, weight and other factors but reflect an underlying equilibrium due to arbitrage that occurs in feeder cattle markets between cow-calf and feedlot. The stocker industry plays a critical role in this market arbitrage, providing time, place and form functions and production value for growing cattle.

USDA demands Mexico step up New World screwworm cooperation

Agency threatens to limit live animal imports if Mexico doesn't lift barriers hindering NWS control efforts.

By: Kristin Bakker, Digital Content Specialist

The U.S. Department of Agriculture is threatening to restrict live animal imports from Mexico if the country does not do its part in the joint effort to help control and contain the outbreak of New World screwworm (NWS). NWS maggots can infest livestock and other warm-blooded animals, most often entering through an open wound and feeding on the animal's flesh.

In November 2024, Mexico informed USDA's Animal & Plant Health Inspection Service (APHIS) of a positive detection of NWS in a cow in southern Mexico, and in response the U.S. immediately halted imports of live cattle and bison from Mexico.

APHIS said it would keep working with Mexico and Central America to eradicate NWS from the affected areas, which it added is only possible using a sterile insect technique (SIT) in which sterile flies are released into the area where NWS is known to have become established.

The U.S.-Mexico border reopened to live cattle and bison trade earlier this year under a new inspection protocol.

On April 26, however, U.S. Agriculture Secretary Brooke Rollins sent a letter to Julio Antonio Berdegué Sacristán, her counterpart in Mexico's Agriculture & Rural Development department, demanding that Mexico eliminate restrictions on USDA aircraft and waive customs duties on eradication equipment that are critically impairing the U.S. response to spread of NWS.

The aircraft fleet – Dynamic Aviation, contracted by APHIS – is "uniquely equipped to conduct the high-volume, precision aerial releases required to suppress and eliminate the NWS population," and full deployment of these operations is a must, Rollins wrote to the agriculture secretary.

She asserts that Mexico's aviation authorities are restricting these aircraft to flying six days per week under temporary permits instead of the seven days necessary to stop the northward spread of the deadly parasitic fly, and that the country's customs authorities are applying heavy import duties on the aviation parts crucial to the fleet's operation.

She said USDA is requesting that Mexico take action immediately to remove the aviation restrictions by extending the operating clearance to at least a year, preferably indefinitely, and lifting the import duties on the aircraft parts, SIT equipment and sterile flies that APHIS supplies for the NWS eradication effort.

The agency is also requesting the appointment of a high-level contact to help quickly clear any other red tape for APHIS and proposed that the U.S. and Mexico hold a strategy meeting on aerial dispersal to ensure their plans align in order to produce a "seamless and sustained response."

"Every delay in granting full operational authority and eliminating customs barriers undermines our collective ability to carry out this emergency response," Rollins warned Berdegué.

Rollins told the Mexican government that if the issues aren't settled by April 30, USDA will take action to protect the U.S. livestock industry, food supply and wildlife populations by restricting imports of live cattle, bison and equine originating from or transiting Mexico.

NWS causes severe wounds and complications that can lead to death, and an infestation in the U.S. would result in significant losses to the livestock industries, USDA stated. While the U.S. eradicated NWS in 1966 using SIT, the agency said detections in South and Central America and Mexico present a constant risk of reintroduction. Hence, ongoing vigilance and control efforts are critical to prevent its spread northward and protect animal health and agriculture.

Industry involvement

The National Cattlemen's Beef Association (NCBA) announced its support for USDA's action and noted that it has been working closely with APHIS to increase NWS surveillance, inspection and other control measures. This includes working with the agency to expand the use of SIT, NCBA said in a statement.

Unfortunately, Mexican authorities have failed to uphold their end of the agreement by disrupting planes carrying these sterile male files, refusing pilots permission to land and instituting customs duties on flight components, sterile flies and SIT equipment, the association added.

"We have received multiple reports that critical flights carrying these sterile flies have been denied permission to land, faced bogus paperwork issues and been charged high customs fees. As a result, we have lost significant time and investment that has allowed these dangerous pests to spread unchecked into southern Mexico," said NCBA senior vice president of government affairs Ethan Lane. "In light of those reports, NCBA met with the Mexican Embassy earlier [the prior] week to deliver the message that the Mexican government needs to be a partner on eradicating screwworms to protect both animal and human health. It's time for Mexican authorities to act, and we appreciate Secretary Rollins standing with American and Mexican cattle producers who want to see this pest stopped dead in its tracks."

The Texas & Southwestern Cattle Raisers Association also supports USDA's efforts, with president Carl Ray Polk Jr. saying, "As our neighbor, Mexico has fallen short in its role as a partner in managing the spread of NWS, placing the burden and risk disproportionately on the U.S. We continually advocate for proactive efforts to manage NWS before it reaches the U.S. border and welcome the support and consequences put in place by Secretary Rollins that can spur needed action to protect America's cattle industry, food supply and wildlife populations."

Polk added that for Mexico "to not allow aerial drops of sterile flies is irresponsible." The association said it is actively championing the creation of a U.S.-based sterile fly production facility.

Editor's Note: United States and Mexico Reach Agreement to Resume Eradication Efforts on New World Screwworm (Washington, D.C., April 30, 2025) – U.S. Secretary of Agriculture Brooke Rollins announced today that Mexico has committed to eliminate restrictions on USDA aircraft, and waive customs duties on eradication equipment aiding in the response to the spread of New World Screwworm (NWS). Due to this agreement the ports will remain open to livestock imports, however if at any time these terms are not upheld, port closure will be revisited. This agreement follows Secretary Rollins' letter to Mexico Secretary of Agriculture Julio Antonio Berdegue Sacristan on Saturday pushing for a resolution of the restrictions.

The Case for Earlier Castration: Selling Steers versus Bulls

By: Kellie Curry Raper, OSU Extension Livestock Marketing Specialist

For cow-calf producers, your "current situation" likely includes lots of young calves running around the place with a few more expected in the near future. That also means there are additional management decisions coming your way – one of which is the castration decision. That involves a yes/no decision and – if yes - then it also involves decisions about method and timing. Today's focus is on the yes/no decision and timing.

Research over time has consistently indicated price discounts for bulls sold in feeder calf markets. Oklahoma data indicates that bulls are consistently discounted relative to steers when comparing cattle of similar weight, quality, breed, and other physical and management attributes. Past OSU research has measured bull discounts in Oklahoma markets at $6/cwt to $12/cwt at different points in time. Discounts tend to increase when market price levels increase.

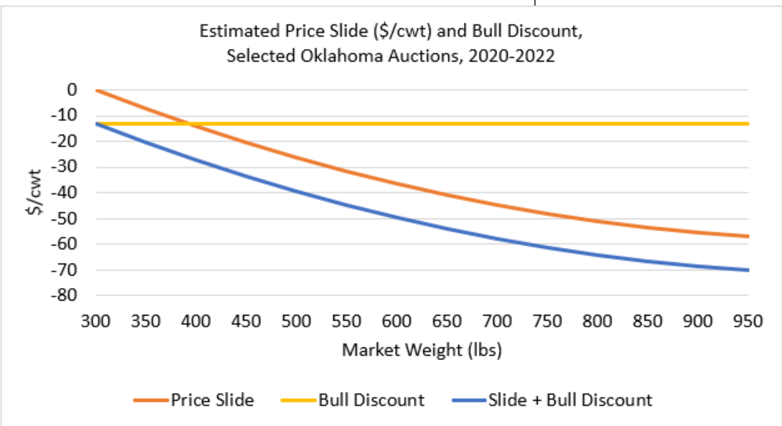
Preliminary research with recent Oklahoma data indicates that the bull discount per cwt is stable across weight classes at -$13.22/cwt. At first glance, that may seem counterintuitive, as we might expect the bull discount to be larger for heavier animals based on the implications of later castration on health, performance, management, and carcass quality as those animals move through the beef supply chain. And actually, it is…when you look at it on a per head basis.

The table below reflects average bull discounts per hundredweight and per head based on the latest research using our auction data. These values are relative to steers of the same weight with similar characteristics. Though the estimated discount per hundredweight does not increase by weight class, it does still result in larger per head discounts for heavier bulls. When combined with the price slide for heavier cattle, an unchanging bull discount ($/cwt) still has a proportionately larger impact on overall price per hundredweight for heavier versus lighter animals. That concept is reinforced in the table above using Oklahoma City prices for Medium/Large #1 &#2 cattle from December 2022. The bull discount as a percentage of the steer price at the corresponding weight steadily increases from 6.0% at 375 pounds to 7.9% at 875 pounds.

Bull Discount per cwt and per head by weight class ($),

Selected Oklahoma Auctions, 2020-2022

Weight Class	Estimated Discount per cwt ($)	Average Discount per Head ($)	Discount Range per Head ($)	Bull Discount as % of Steer $/cwt – OKC Dec 2022	
300-399 lbs.	13.22	46.27	39.66 - 52.75	375 lbs.	6.00%
400-499 lbs.	13.22	59.49	52.88 - 65.97	475 lbs.	6.30%
500-599 lbs.	13.22	72.71	66.10 - 79.19	575 lbs.	6.80%
600-699 lbs.	13.22	85.93	79.32 - 92.41	675 lbs.	7.40%
700-799 lbs.	13.22	99.15	92.54 - 105.63	775 lbs.	7.20%
800-899 lbs.	13.22	112.37	105.76 - 118.85	875 lbs.	7.90%
900-999 lbs.	13.22	125.58	118.98 - 132.07		



Castrating your male calves is not free. It requires resources, including time, labor, equipment and sometimes an extra measure of patience - with the calf or with your labor resource. Also, the availability and cost of those resources varies by producer. But the market does provide incentives for including castration in your bundle of calf management practices and those incentives encourage castration at an earlier age and weight rather than when calves are older.

As Dwight Eisenhower once said, "Farming looks mighty easy when your plow is a pencil, and you're a thousand miles from the corn field." Substitute "ranching" and "cattle chute" and I may have just guessed what you are thinking because these days my boots don't get dirty nearly as often as yours. But the cattle market is encouraging you to consider the incentives for castration, to consider your costs for castration, and to consider adding another layer of dirt to those boots while you castrate your calves and castrate them early.

Red meat trade at a standstill after China's retaliatory tariffs

Borror estimates more than $150 per fed steer or heifer is at risk and the U.S. pork industry stands to lose about $8 to $10 per head in export value.

U.S. Meat Export Federation

With China imposing retaliatory duties in response to U.S. "reciprocal" tariffs, China's effective duty rate on U.S. pork and pork variety meat has reached 172%, while U.S. beef and beef variety meat are tariffed at 147%. These high duties have effectively halted trade, says Erin Borror, U.S. Meat Export Federation vice president of economic analysis. She notes that while USMEF is always working to expand and diversify export markets, China has unique product needs that other destinations cannot fully replace.

"There's a mad scramble to try to essentially find new homes for this product that is in the pipeline that was produced for China," Borror says. "And remember that for China, we have special China labeling. It's ractopamine free product with a China label, both on the bag and the box. So it's costly production specific for China, and thus difficult to reroute or find a new home for this product."

Borror estimates that China being absent from the market puts more than $150 per fed steer or heifer at risk. The U.S. pork industry stands to lose about $8 to $10 per head in export value, in large part because China is the leading destination for pork variety meat.

"They buy specific items at premiums that other markets are unwilling to pay, certainly at the volume and at the price that China takes. So on the beef side, they are a top customer for short plate, short rib, chuck short rib, rib finger, tiger tail, honeycomb, very China specific products. Without that China bid we're looking at $150 to $165 per head industry loss and added up over a year that would be about a $4 billion lost opportunity on the beef side," Borror says. "And for pork, again, China's the number three market. And for variety meats, China is still our dominant customer. They are by far the largest buyer of pork feet, head, items, stomachs, intestines and they are taking tremendous volume at higher prices than any other customer can pay. And so without China on the pork side, we estimate the losses of about $8 to $10 per head right across that total industry for the year is about a billion dollar loss."

China's failure to renew registrations for 400 U.S. beef facilities presents an additional barrier for U.S. exports, as the majority of U.S. beef production is currently ineligible for China, regardless of the applicable tariff rate. Registrations for most U.S. pork facilities were renewed in March, but China has not yet renewed nine establishment registrations that expired April 20.

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