

Feeder cattle trade volumes, as published by USDA-Agriculture Marketing Service (AMS) in report SJ-LS850, were up 0.8% in 2018 from a year earlier. Calves born in 2017 and 2018 should be the primary source of supply determining feeder cattle trade volumes in 2018 and the calf crop in 2017 was up 2.0%. The preliminary estimate of calves born in 2018 made by USDA-National Agricultural Statistics Service (NASS) last July pegged another 2% gain in calves born for 2018. The smaller increase in receipts relative to the gain in the calf crop during 2018 may be attributable to the surge in receipts during the final quarter of 2017 (up 9.4% from a year earlier) that would have been at the expense of feeder cattle marketings in the following 6-12 months. Interestingly, placements of feeder cattle into feedlots during the first 11 months of 2018 were down 0.8% from the same months in 2017. Feedlot placement data from USDA-NASS for December is not available yet.

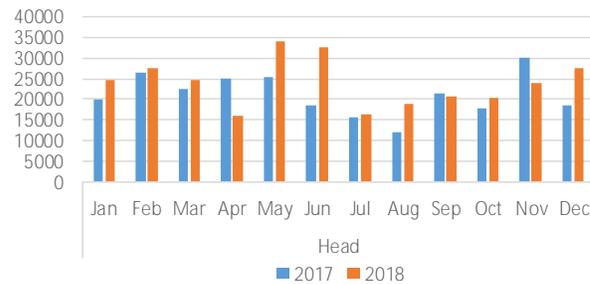
Trends in feeder cattle market receipts by market channel showed some divergence during 2018. Trade volume through auction barns was up 0.8%. Since auction barn trade accounts for almost 70% of feeder cattle market receipts, it is not surprising that the change in total receipts runs close to the change in auction barn activity. During the prior two years, auction barn trade volume was up 6% and 8%, respectively, making the minimal growth in 2018 notable. Volumes moving through direct trade posted the biggest gain in 2018, up 15% from 2017. Direct trade volumes in 2016 were up 9% and in 2017 were up 4%. E-market (internet and video auctions) trade volume declined for the second year in a row during 2018. Volume was down 6% last year, following a 2% decline in 2017, putting the annual tally close to the 2015 E-market volume.

There were also some interesting divergent trends on a regional basis. Total receipts for the combined auctions in Oklahoma were up

1.5% from 2017. Underlying this gain was a 13% increase in feeder cattle moving through the Oklahoma City auction. Oklahoma City receipts increased 35,000 head during the year while the total for all auctions in Oklahoma was only up 16,000 head, implying that trade at smaller local markets was down. Similar trends were seen in other states. Auction trade volume in Kentucky was down 15,000 head, or 2.4% from 2017. Nebraska auction trade volume was down 8,000 head, or 0.9%.

Close to a third of the increase in Oklahoma City cattle trade in 2018 was accounted for by an increase in “fleshy” type cattle. A third of this total occurred in December. The increase in “fleshy” cattle moving through Oklahoma City was the same as the increase recorded for the state auction total, suggesting that Oklahoma City was the preferred market for this type of cattle.

Feeder Cattle Receipts - Oklahoma City
All Feeder Cattle



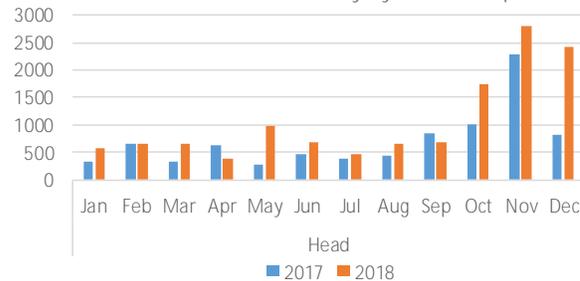
Data Source: USDAAMS Report KO LS795
Prepared by Livestock Marketing Information Center

Feeder Cattle Market Receipts
By Market Channel



Data Source: USDA-AMS
Prepared by Livestock Marketing Information Center

Feeder Cattle Receipts - Oklahoma City
Feeder Cattle Noted As Fleshy By Market Reporter



Data Source: USDAAMS Report KO LS795
Prepared by Livestock Marketing Information Center



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