

Kansas State University collects and publishes a monthly summary (Focus on Feedlots) of animal performance data and feed costs from a group of cattle feeding firms. The website is [here](#), the latest report (released last week) was for December. The data are for closeout (sale) months and are the means of individual feedyard averages, and the accumulated costs include feed, yardage, processing, medication, death loss. Cattle are usually sold FOB the feedlot with a 4% pencil shrink. Note that the cost of the feeder steer and interest cost are not included.

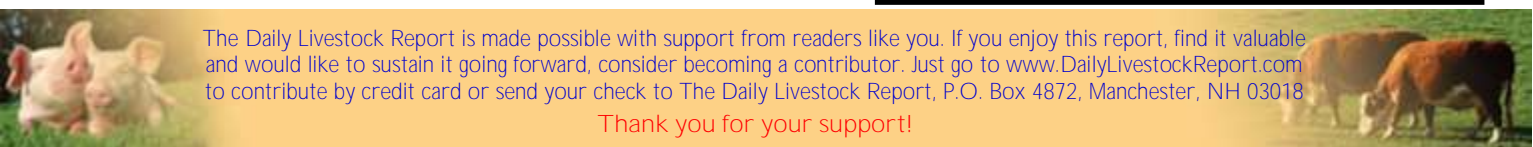
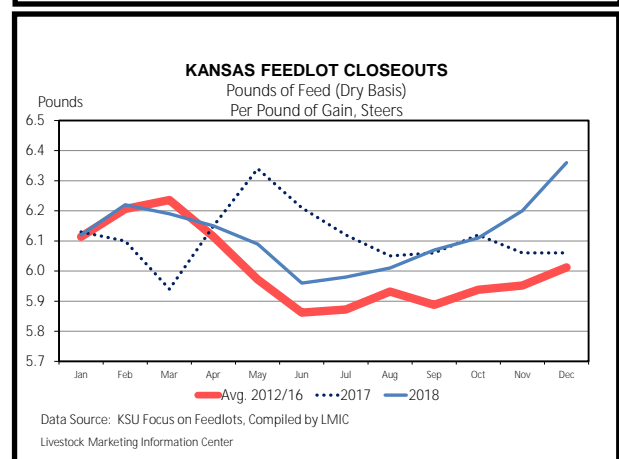
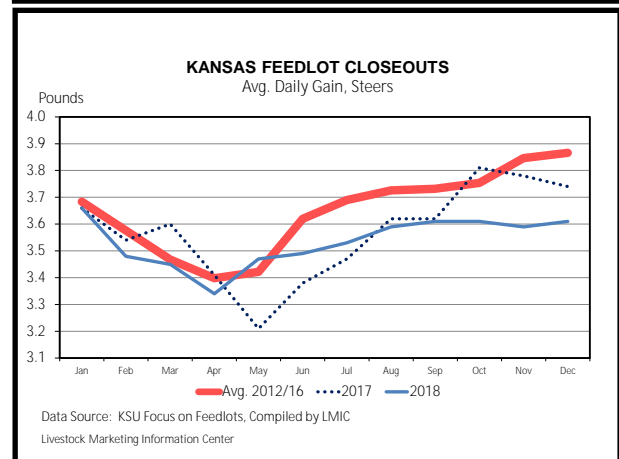
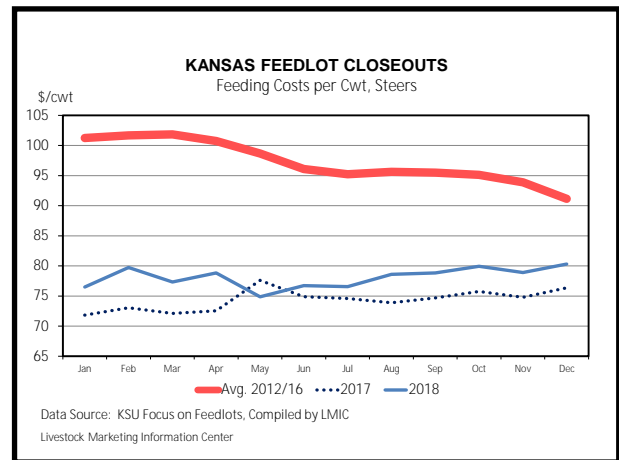
The first graphic shows that the feeding cost of gain has been above a year ago for several months, but remains well below a few years ago mostly because of lower feedgrain costs. For steers sold in December, the average cost of gain was \$80.31 per cwt., and heifers averaged \$83.75. Compared to a year earlier, cost of gain increased by \$3.96 per cwt. and \$5.50 for steers and heifers, respectively. Some of that higher cost of gain can be attributed to increased feedstuff costs. Year-over-year feedlots reported corn was up 12 cents per bushel (3.3%) and hay increased by \$59.66 per ton (48.9%). Additionally, poor feedlot conditions (i.e., mud) had increased cost of gain during the feeding period compared to 2018's.

The impact of mud on animal performance can be seen most directly in the last two graphics. Average daily gain was depressed, dropping year-over-year for December by .13 pounds (down 3.5%). The amount of feed required to achieve each pound of gain surged for animals sold in November and December. Compared to a year earlier, the that increase was .30 pounds (up 5.0%).

During the fall months of 2018, challenging feedlot conditions were widespread. Mud was especially problematic in Kansas, much of Nebraska, and in several Midwestern states. Those conditions impacted the timing and weight of cattle marketed. For example, without the abnormal conditions, the number of steers and heifers sold in December would have been higher, and the animals probably would have weighed more, too.

Muddy feedlot conditions also dampen placements of animals into feedlots. Pen become difficult to clean, arriving animals are a challenge to process, and producers do not want to stress young cattle.

The impacts of weather during late 2018 on animal performance will continue to linger. January added another month of harsh weather and the likelihood of more mud in February. So, steer and heifer dressed weights are projected to be below 2018's for the first quarter of 2019. When the mud finally subsides, demand for feeder cattle may improve, bunching-up placements.



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