“The Grass is Certainly Greener”

With the blessing of extra rainfall and stronger than expected cattle markets, the grass in pastures and farm management budgets are definitely showing strong signs of green. The water did delay weed-management plans, but remember that winter hungry cattle will graze on early tender weeds and give you time to get the right conditions for herbicide control. Don’t forget to “Soil Test”, if it has been more than 5 years since your last. Even though things are looking greener, there is no need to throw away green by guessing what nutrients you need and at what levels. Remember the key to keeping farm life green is good management. Use the resources available to you from the University of Arkansas Division of Agriculture Research and Extension Service. Also, if you have the time, attend one of the “Field Days” you read about in this newsletter. “Happy Farming” and “Keep It Green”.

Sincerely,

Robin D. Bridges
CEA/Staff Chair
Union County
BEEF PERSPECTIVE: FEEDLOT, PACKER, AND RETAIL

Profit and margin calculations help roughly gauge the economic status of feedlots, packers, and retailers. LMIC calculates the profit (or loss) of a Southern Plains commercial feedlot as the sale price per cwt. of a finished steer less all costs of production including: feeder animal cost, yardage, death loss, and an interest charge on the animal. For packers and retailers, average margins are calculated, but these margins are not profits; they simply calculate a difference between the major purchased input (e.g. live cattle for the packer) and an end-product sale price.

For the month of February, it is estimated that feedlots experienced some of the most significant red ink since this series was first calculated in 1974, with over $300 per head losses. Feedlots have only dealt with this severe of closeouts twice before, during summer of 2012 and late 2008.

Packer margins use the dollar value difference between the purchase cost of a slaughter ready animal and the price of what the packer has historically sold, specifically: 1) wholesale meat value (cutout); and 2) byproducts (variety meats, tallow, hide, etc.). Those costs and prices are reported by USDA’s Agricultural Marketing Service (USDA-AMS). It is important to note that packer margins are not including all costs of doing business such as labor and machinery. In recent weeks, live animal prices have seen slight upticks, to the low $160’s per cwt, while the boxed beef cutout value was holding rather steady and the byproduct value had slipped, resulting in tightening of packer margins. As 2015 progresses margins will need to improve for the packer sector.

The retail side has shown a consistent trend of increasing prices, reflecting the underlying fundamental of a tight supply and rather strong demand. For the month of February the retail margin (difference between wholesale beef cost and an estimated retail price) set a new record high, as the retail price of all fresh beef increased 5 cents compared to January, and was 14% higher than year ago prices. Retail prices do tend to be sticky, that is they do not adjust very fast compared to live animal and wholesale prices. Overall, there is some room for the beef retail margin to erode and still maintain a rather normal situation.

LAST CHANCE PAT

Union County Agriculture producers needing to re-certify or new producers needing to certify for the first time are encouraged to attend the last Pesticide Applicator Training until December.

**Tuesday, April 7**  5:30-8:30 p.m.  Union County Extension Office
APRIL BEEF PRODUCTION

April is the time of year to deworm cows and calves. The need to control internal parasites will exist as long as cattle are grazing pastures. Young cattle will typically have more internal parasites than older cattle. The effects of internal parasites on cattle will vary with the severity of infection as well as age and stress level of the animal. Therefore, the methods of controlling internal parasites should be developed to fit individual production situations.

Keep an eye out for grass tetany. Clinical signs associated with this disease range from slight changes in behavior to death. Early in the disease, cattle affected by grass tetany may show signs such as decreased appetite, decreased milk production, tendency to stay away from the herd, increased alertness and a stiff or unsteady gait. As the disease progresses, cattle may become recumbent and unable to get up. They will exhibit muscle tremors (spasms), protruding third eyelid, increased pulse and respiratory rates and eventually death if untreated. Prevention of grass tetany can be achieved by providing a salt-mineral supplement containing at least 10 percent Mg.

Overseed bare spots around hay feeding areas with a desirable grass or legume.

* The hay feeding area generally is higher in organic matter and soil test P & K than the field. Therefore providing a good growing media for establishing grasses or legumes.

* Conduct a forage inventory on all pastures / hayfields. Results from the forage inventories may be used as a guide for making management decisions.

* To conduct a forage inventory, walk a zigzag pattern across a pasture and record what is found at the end of your toe on every 5th step. Record at least 50 tally marks, preferably 100 tally marks for each field.

UNION COUNTY 2015 PASTURE TOUR

PLACE: Hamaker Farm—Stateline Road West —Junction City

TIME: 4:00—7:00 P.M.

DATE: SATURDAY, APRIL 25TH

Please call 870-864-1916 by Wednesday, April 22nd to let us know if you plan to attend. Ladies, please bring those wonderful desserts!!!

- High Tunnel Growing System
- Body Condition Scoring
* Forage Management
* Market Futures
FORESTRY LANDOWNERS
Saturday, May 30, 2015 @ 10:00 am
Location: UAM School of Agriculture Barn
Topics Include:
Pasture Weed Control presented by Blair Griffin
Mineral Selection presented by Dr. Shane Gadberry
Effects of Improper Hay Harvest and Storage presented by Dr. John Jennings
Vaccination and Deworming including Product Storage and Handling presented by Dr. Jason Cater
Field and Livestock Demonstrations

PLEASE RSVP BY CALLING 870-460-1091 SO THAT ADEQUATE MEAL ARRANGEMENTS CAN BE MADE
SWREC Forestry Field Day

April 16 - WATER QUALITY

The Southwest Research and Extension Center (SWREC) will host its annual forestry field day on Thursday, April 16 from 8:30 a.m.—2:00 p.m. This event will focus on water quality and managing forests to maintain water quality, which impacts all of us—from those whose water is supplied by municipal systems to those who enjoy hunting and fishing. Come learn how to protect the quality of our rivers and lakes.

Dr. Victor Ford, SWREC director, will explain why and to whom water quality matters. Dr. Hal Liechty, of the Arkansas Forest Resources Center, will explain the physical characteristics of water and the legal definitions of water quality. Dr. Kyle Cunningham, of the Arkansas Forest Resources Center, will discuss riparian zones and the effects they have on water quality. The morning session will conclude with a field trip led by Arnold Hameister, Best Management Practices coordinator for the Arkansas Forestry Commission, to view some examples of best management practices designed to protect water quality.

After lunch, Dr. Jon Barry, of the Arkansas Forest Resources Center, will discuss forest management within Streamside Management Zones, and George Rheinhardt, state forester with the USDA Natural Resources Conservation Service (NRCS), will explain NRCS cost-share programs designed to help forestland owners take steps to protect water quality.

Registration is $10 per person for those who register by April 10. A registration fee of $15 per person will be accepted at the door. Lunch will be provided for those who register by April 10.

Name: _______________________________________________________

Address: _____________________________________________________

City: State: Zip: _______________________________________________

County: _______________________________________________________

Phone: _______________________________________________________

E-mail: _______________________________________________________

Affiliation: ___________________________________________________

Registration is $10 per person if received by April 10, 2015. After that date, registration will be $15 per person payable at the door. Please mail a check (non-refundable), payable to Cooperative Extension Service, along with a completed registration form to:

Dr. Jon Barry
SWREC FW&FD
362 Hwy 174 N
Hope, AR 71801
Livestock & Grain Market News
Federal-State Market News, 2301 S. University Ave.
Little Rock, AR 72204, (501) 671-2200
March 30, 2015

03/23/15-03/27/15
MARKET
THIS LAST YEAR FEEDER YEAR- STOCK COWS SLAUGHTER
WEEK WEEK AGO CALVES LINGS COWS BULLS BULLS
HEBER SPRINGS (M)
223 190 670 143 37 23 15 5
FT. SMITH (M)
315 300 830 166 100 21 18 10
SEARCY (TU)
1029 1149 NR 670 280 90 50 9
POCAHONTAS (TU)
1082 434 407 635 331 66 40 10
RATCLIFF (W)
260 100 1155 140 83 10 25 2
CHARLOTTE (W)
702 365 356 588 45 28 40 3
GREEN FOREST (W)
824 1252 1219 560 166 35 53 10
HOPE (TH)
1005 1072 985 520 287 54 125 19
GLENWOOD (TH)
397 548 448 300 25 35 30 7
OZARK (TH)
705 NR 655 334 200 30 135 6
SILOAM SPRINGS (TH)
1120 538 1172 562 400 75 70 13
SPRINGDALE (F)
402 305 514 275 76 15 21 15
ASH FLAT (F)
571 931 869 507 46 56 54 8
OLA (F)
455 430 505 266 140 23 20 6

PRICE TREND: Compared to last report: Feeder steers sold unevenly, mostly steady to 9.00 higher. Feeder heifers sold steady to 8.00 higher. Slaughter cows sold steady to 3.00 higher. Slaughter bulls sold 3.00 higher.

Following prices are for Medium and Large 1, feeder cattle, mostly English and exotic crosses in normal flesh and fill. They comprised about 75 percent of the feeder cattle receipts. 2's discounted $5-$10, 3's discounted $10-$20, and Small frame discounted $15-$25.

REPLACEMENT COWS
This Week Last Sale Year Ago
Open/short-bred
127.00-137.00 123.00-133.00 105.00-115.00
Third Stage
195.00-205.00 163.00-173.00 125.00-135.00
PAIRS
Small calves
2375.00-2450.00 2125.00-2225.00 1475.00-1575.00
Large calves
2700.00-2800.00 2325.00-2425.00 1750.00-1850.00
SLAUGHTER COWS
Boners
104.00-114.00 104.00-114.00 90.00-100.00
Lean
100.00-110.00 99.00-109.00 85.00-95.00
SLAUGHTER BULLS
1000-2100 lbs.
128.00-138.00 125.00-135.00 105.00-115.00

5 Area Wkly Accumulated, Negotiated, Dir Strt Cattle Wtd Avg
Steers, Beef Breeds
Live Basis
183.55 164.00 164.00 164.00 163.98 152.31
Dressed Basis
257.17 260.00 260.00 260.00 260.00 243.74
Heifers, Beef Breeds
Live Basis
163.73 163.00 163.00 163.00 163.00 152.08
Dressed Basis
259.78 NA NA NA NA 260.00 242.34

Boxed Beef Cut-Outs
Choice 600-900 lbs
245.79 246.83 250.51 250.67 250.80 239.25
Select 600-900 lbs
243.23 244.78 247.14 246.96 246.71 231.21
Cutter Cow Cutout
2323.10 231.99 231.78 231.81 231.76 202.28
Cattle Kill (.000)
107 108 99 99 95 115

Hide & Offal Value
Per cwt Live

MARKET SITUATION AND OUTLOOK:
U.S. PORK TRADE: 2014 VALUE OF EXPORTS AND IMPORTS
On a dollar value basis, the U.S. pork industry is a net exporter; that is exports exceed imports. Although 2014 was no exception regarding net exports, both export and import values in the hog and pork complex set a record high.

The U.S. exports live hogs, pork and sausage, sausage casings and variety meats, land, oils and other fats, and hog and pork skins. The total dollar value of all U.S. hog and pork 2014 exports reached $7 billion, a 9% increase year-over-year. Within the export categories, pork and sausage made up 60% of total export value and experienced a year-over-year gain in value of 10%. Variety meats came in second, with a 14% increase in value, and accounted for 15% of total export value. In 2014 the U.S. pork industry exported 21% of domestic pork production.

On the import side, the same categories are traded. The total dollar value of all U.S. hog and pork imports in 2014 grew by 25% year-over-year to sit at $2.2 billion. The largest growth was seen in the pork and sausage category, up 23%, and live hogs up 32%. These categories accounted for 68% and 20% of total import value in 2014, respectively.

From about 1990 through 2004, the pork industry net export value hovered around $500 million. After 2004 the price of U.S. pork increased significantly to result in a net export value of $5 billion at the peak in 2011. Both the U.S. hog and pork exports and imports set record value highs in 2014 and the industry remained a net exporter. The 2014 net export value was $4.79 billion, which was a 3% increase compared to 2013.

Source: Livestock Marketing Information Center (www.lmic.info)
Arkansas Stumpage Prices

<table>
<thead>
<tr>
<th>Product</th>
<th>North Arkansas</th>
<th>Price</th>
<th>DBH</th>
<th>Price Change</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pine Pulpwood</td>
<td>$7.63</td>
<td></td>
<td></td>
<td>$0.79</td>
<td>11.6%</td>
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<tr>
<td>Pine Chip-n-Saw</td>
<td>$15.42</td>
<td>10.4</td>
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<td>$0.81</td>
<td>5.6%</td>
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<td>Hardwood Pulpwood</td>
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<td>$25.13</td>
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<td>$2.50</td>
<td>11.0%</td>
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South Arkansas

<table>
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<tr>
<th>Product</th>
<th>South Arkansas</th>
<th>Price</th>
<th>DBH</th>
<th>Price Change</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pine Pulpwood</td>
<td>$7.35</td>
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<td></td>
<td>$0.28</td>
<td>3.7%</td>
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<tr>
<td>Pine Chip-n-Saw</td>
<td>$14.97</td>
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<td>$1.27</td>
<td>9.3%</td>
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<td>Pine Sawtimber</td>
<td>$27.17</td>
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<tr>
<td>Hardwood Pulpwood</td>
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<td>$0.29</td>
<td>-1.9%</td>
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<tr>
<td>Hardwood Sawtimber</td>
<td>$29.48</td>
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<td></td>
<td>$0.92</td>
<td>3.2%</td>
</tr>
</tbody>
</table>

U.S. South Timber Market Outlook

The latest revision of 3rd quarter real GDP growth has it up to 3.9%, but early predictions suggest that the overall 4th quarter numbers will not be as strong. Industrial production fell 0.1% in October, while manufacturing output increased 0.2% for two consecutive months. Total housing starts dropped 2.8% in October to 1.009 million units SAAR. The unemployment rate remained at its six-year low of 5.8%. Crude oil continues to tumble, with it down to $75.79/barrel in November.

Looking forward, we anticipate the economy to grow at an average rate of 2.1% through the end of 2015. Beginning in 2016 the economy will steadily slow and by 3Q 2016 we expect GDP to be -0.9% as the U.S economy retracts. Housing starts will continue to improve, peaking in mid-2015 at 1.21 million units in July, then oscillate around 1.1 million for the rest of 2015. Housing will then retreat to a low of 856,000 units in mid-2016.

With housing starts trending upward in 1H2015, pine sawtimber and chip-n-saw prices will mimic housing starts, peaking in late summer or early fall 2015, until growth begins to dissipate in 2016. Pulpwood prices will continue to rise in the near term, but begin to lose steam as we move further into 2015. Declining pulpwood prices over 2015 will be due to warmer and dryer weather in the summer months, but also an increase in residuals entering the market due to rising housing starts.
All meetings and activities announced in this newsletter are open to all eligible persons without regard to race, color, national origin, religion, gender, age, disability, marital or veteran status, or any other legally protected status. Persons with disabilities who require alternative means for communication of program information (large print, audiotapes, etc.) should notify the county Extension Office as soon as possible prior to the activity.