

Cattle Inventory: Telling the new story, retelling the old one

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The annual USDA *Cattle* report contains new numbers on cattle inventories and significant revisions to the 2015 numbers. It's important to consider the revisions when interpreting

the new numbers. In general, the report confirms, as expected, that cattle inventories in the United States grew in 2015. However, the magnitude of the changes is somewhat different than expected in some cases and reflects the impacts of the revisions in last year's values. It's important to look back at

how the 2014 story changes as a part of understanding the 2015 story.

The latest report pegs the Jan. 1, 2016, all cattle and calves inventory at 92.0 million head, up 3.2% from one year ago. This increase was larger than expected, but the 2015 total was revised down by roughly 650,000 head, implying that total herd

growth in 2014 was 0.7% rather than the previously reported 1.4% year-over-year increase. The overall increase during the two-year period is close to expectations, but the report now says that more growth occurred in 2015 and less in 2014.

The beef cow herd was up 3.5%, adding just more than 1 million head to the herd inventory as expected. However, the 2015 beef cow total was revised down nearly 400,000 head, indicating that 2014 herd growth was only 0.7% rather than 2.1% as earlier reported. Thus, the herd growth in 2015 was equal to expectations, but the 2016 level of 30.33 million head is smaller than anticipated.

Perhaps the biggest surprises were in the beef replacement heifer numbers. The 2016 level was up 3.3%, smaller than expected; but the 2015 number was revised up by roughly 300,000 head, indicating that the 2015 beef heifer total was up 9.6% over 2014, compared to the previously reported 4.1% year-over-year increase. As a result, the revised numbers have the 2015 beef replacement heifer total at 6.09 million head and the 2016 total at 6.29 million head. The 9.6% increase in beef replacement heifers from 2014 to 2015 is the largest year-over-year increase in replacement heifers since 1974. Beef replacement heifers are now reported at more than 20% of the beef cow herd for both 2015 and 2016, the highest levels since 1969.

The 2015 calf crop was estimated at 34.3 million head, up 2.3% from 2014. However, the 2014 calf crop was revised down from 33.9 million head to 33.5 million head. The 2016 dairy cow inventory was unchanged at 9.3 million head from the 2015 level (unrevised). Dairy replacement heifers were up 2.4% at 4.8 million head on top of a revised 2015 total revised up by about 100,000 head.

The 2015 inventories of other heifers [more than 500 pounds (lb.)], steers (more than 500 lb.) and calves (less than 500 lb.) were all revised down. Other heifers changed from being down 0.2% to down 4.6%; steers were revised from being up 0.7% to being down 0.2% from 2014 levels.

Calves were revised from being up 0.9% to being down 0.2% year-over-year from 2014. The result is that the 2015 estimate of feeder supplies outside of feedlots was down 1.9% in 2015 rather than being up 0.5% as previously reported. The 2016 report leads to an estimated Jan. 1 feeder supply of 25.9 million head, up sharply by 5.3% from 2015 based on more other heifers, up 2.9%; more steers, up 4.4%; and more calves, up 3.9%. Without the revisions to the 2015 numbers, the 2016 estimated feeder supply would be up 2.8%.



Editor's Note: This article was adapted with permission from the Feb. 1 Cow-Calf Corner newsletter published by the Oklahoma Cooperative Extension Service. Derrell Peel is a livestock marketing specialist for Oklahoma State University Extension.