

AG NOTES
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September 15, 2020

FARMERS MARKET

We're still going. Granted, the season is winding down and produce is slowing up. But the okra is outstanding, with the little size that is perfect for pickling and the larger size that is tender and good for frying.

The tomatoes are red ripe, except for the green ones that need to be battered and fried. The melons are in and look good. We expect the fall greens to be here shortly.

The market is at the pavilion next to the big blue water tower at the Celebration Grounds. It is on Thursday afternoons at 2:30 pm. The plan is to continue as long as the good vegetables last, probably on into October.

Come on by.

WHAT'S THE MARKET?

Drs. Andrew Griffith and Aaron Smith, livestock and crop economists for UT Extension, shared these comments. (The cattle business is big in our county, so I've shared Dr. Griffith's comments since they make a good point on adding value to weaned calves.)

Fed cattle traded \$2 lower compared to last week on a live basis. Prices on a live basis were primarily \$100 to \$103 while dressed prices were mainly \$160 to \$161. The 5-area weighted average prices thru Thursday were \$100.86 live, down \$2.32 compared to last week and \$160.56 dressed, down \$2.55 from a week ago.

Based on Tennessee weekly auction market price averages, steer and heifer prices were unevenly steady with instances of prices being \$3 lower to \$3 higher compared to a week ago. As the available supply of freshly weaned calves increases at the marketplace, the price of those calves is likely to come under pressure. It is not only the quantity of animals supplied that will put pressure on calf prices, but the risk associated with those animals.

The large temperature swings that are typical of late September and October tend to result in increased health issues with highly stressed animals which means buyers are not willing to bid those animals higher. This means there is likely value in weaning and preconditioning the spring calf crop before marketing them.

It would appear there is an \$8 to \$10 per hundredweight price advantage for weaned calves given this week's market prices compared to calves coming straight off the cow. The question most producers would ask is if this price advantage exceeds the cost of weaning and providing a health program. The answer is likely yes if the cattle gain much weight during this time period.

At the same time as calves are being marketed, many producers will be marketing harvest cows. The cow market has held strong all year. Prices tend to come under pressure in the fall, but a weakening of prices has not been evident at this point, so market them before prices can decline.

Corn and soybeans were up. December corn futures broke through resistance at \$3.65/bu, closing on Friday at \$3.68 ½. Prices are now at the highest point since the end of March. In Iowa, 95% of the state is classified as abnormally dry by the US drought monitor, with 14% in extreme drought. Drought conditions around the rest of the Corn Belt are not as severe as Iowa but the drought affected area has grown substantially in the past month.

November soybeans have rallied \$1.22 ¾ since August 10. The rally has been triggered by modest reductions in projected US production, but mostly by large export sales, principally to China.

The current rally represents an excellent opportunity for producers to sell soybeans near \$10.00. Above trend line yields at \$10.00/bu will provide profitable opportunities for many farms in Tennessee.

The USDA Crop Production report reduced estimated national corn yield 3.3 bu/acre to 178.5 bu/acre and Tennessee average yield was dropped 4 bu/acre to 174 bu/acre. National soybean yield was decreased 1.4 bu/acre to 51.9 bu/acre and Tennessee yield was increased 1 bu/acre to 50 bu/acre.

(The financial picture on our farms across the country is not good. Livestock prices are not strong, and though corn and soybean prices are up a bit, input costs are up as well. It's a struggle.)