

AG NOTES
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September 29, 2020

FARMERS MARKET

The market continues, with tomatoes, sweet potatoes, okra, melons, greens, cucumbers, squash, and various late season crops. We had six vendors last week, and we expect them all to be there this week.

It is getting late, but these vendors have expressed interest in continuing on while their crops are still coming in. We have encouraged them to do so. Come by the market pavilion next to the big blue water tower at the Celebration Grounds and see them. They'll be there on Thursday afternoons at 2:30 pm til the season is over.

WHAT'S THE MARKET?

Drs. Andrew Griffith and Aaron Smith, livestock and crop economists for UT Extension, shared these comments. (I'll have mine in brackets.)

Fed cattle traded \$2 higher compared to last week on a live basis. Prices on a live basis were primarily \$104 to \$106 while dressed prices were mainly \$164 to \$166. The 5-area weighted average prices thru Thursday were \$105.03 live, up \$1.49 compared to last week and \$164.87 dressed, up \$1.94 from a week ago. A year ago, prices were \$103.46 live and \$165.27 dressed.

Based on Tennessee weekly auction market price averages, steer and heifer prices were unevenly steady compared to a week ago. Harvest cow and bull prices were mostly steady to \$3 lower compared to last week's prices.

Cattle producers have begun setting wheels under calves, and this trend is expected to accelerate the next several weeks as producers begin to wean calves. The issue with this marketing timeframe is that the market tends to be flooded with freshly weaned bawling calves that are at increased risk of respiratory issues due to being highly stressed and the large temperature swings that are common in October.

The increased availability of these animals and the risk associated with the animals tend to result in very selective purchases, which result in softer prices. There is no doubt that someone will purchase the animal, but the issue for the seller is that the buyer may pay \$30 to \$60 less per head than the seller was expecting.

Alternatively, cattle buyers tend to show a strong affinity for preconditioned cattle. These cattle have lower morbidity and mortality rates which allows the producer to pay more for them over bawling calves. Preconditioned cattle continue to see \$9 to \$11 per hundredweight higher prices than higher risk cattle.

Corn, soybeans, and wheat were down. Last week's gains in corn, soybeans, and wheat were given back this week as all three commodities finished down double digits for the week. Weather conditions did improve corn maturity and harvest progress; however, projected yields remain uncertain with below trend line yields possible for key production states such as Iowa.

Corn supplies are still likely to be abundant even with the weather-related losses from windstorms, hurricanes, and regional flash droughts. USDA's September WASDE report projected corn carryover into the 2020/21 marketing year at 2.503 billion bushels. Even if stocks are reduced by a combination of reduced production and increased exports/domestic demand (ethanol and feed use) it seems unlikely stocks will breach (fall below) 2 billion bushels.

Soybeans pulled back 41 cents this week in spite of continued strong export sales. Next week will be critical to see if prices consolidate near \$10, test the current high of \$10.46 ³/₄, or retreat to key resistance at \$9.80. Currently, there are a lot of uncertain variables dictating soybean prices with exchange rates (Brazilian Real/USD/Chinese Yuan), export sales, U.S. projected production, and Brazilian planting intentions dictating market direction. 2020 sales of remaining soybean production (cash or futures) should be strongly considered with prices above \$10.00. For most Tennessee producers a combination of CFAP 2.0 payments and crop revenue at prices above \$10 will result in a profitable outcome for this crop year. Holding out for higher prices comes with substantial risk.

Wheat net sales reported by exporters were up compared to last week with net sales of 12.9 million bushels for the 2020/21 marketing year. Exports for the same time period were down 17% from last week at 17.2 million bushels. Wheat export sales were 51% of the USDA estimated total annual exports for the 2020/21 marketing year (June 1 to May 31), compared to the previous 5-year average of 52%.

THE KIDS

The boys have started their fall baseball league, and I'm as excited as they are. This season is devoted to each kid playing at and learning each position. That's great! How can they be good a position if they don't understand how that position contributes to the others in the field or at bat? I love it.

Ford is fast! And he's gutsy! He'll swing, and he gets good hits that way. He hit two big doubles last week in his game and he scored both times. He's fielding at shortstop, second base, and first. He's getting the idea of stopping the ball and throwing to get outs. He's growing and getting stronger.

Hank has played in the outfield, catching fly balls there. He's played shortstop and second. He started as pitcher the other night, going for two innings. He struck out two in a row in the second inning. Looks good in his windup and pitch! Then he was catcher for the last two innings, and he loves that.

Piper is dancing, talking a blue streak, learning from the children's channels and loving to go the barn and feed the animals. Do you know that you don't stir ingredients in a bowl? You 'agitate' them! That's from a science-based program she loves to watch.

Love 'em!