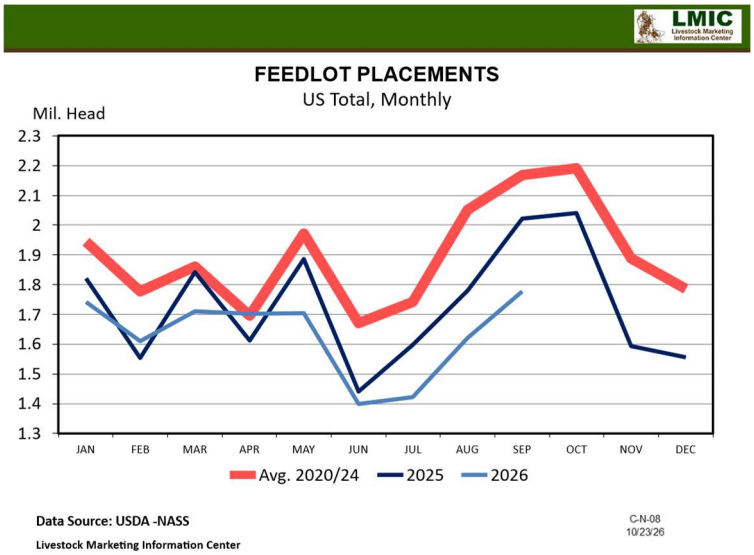
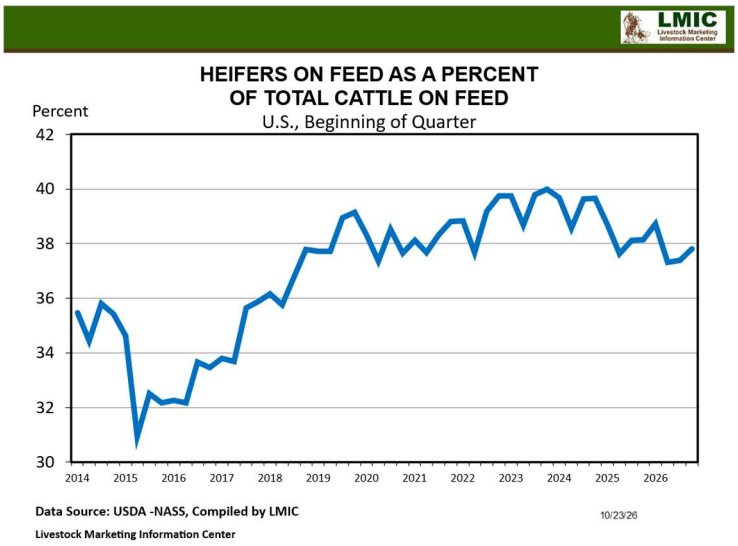
The Continued Story of Tightening Feeder Cattle Supplies

On Friday, October 23rd, the USDA Cattle on Feed report was released. This report is released each month detailing how many cattle entered feedlots (placements), how many cattle left feedlots (marketings), and the total number of cattle on feed at the beginning of the month. Each quarter, these reports also include a steer-heifer breakdown. This breakdown provides insight into rebuilding efforts through heifer retention. As of October 1st, there was a total of 11.3 million head of cattle on feed, down 0.4% from last October. Marketings were also down by 8%, continuing to show the strategy of keeping cattle on feed longer: slow coming in and slow going out to maintain feedlot inventory. October placements fell a record 12% year over year, a larger decline than anticipated based on pre-report estimates. Placements have been below 2025 levels each month since May evidently showing tightening feeder cattle supplies.

Focusing more closely on placements, let's compare spring and fall trends. Historically, placements tend to increase in March, decline by about 8% in April, and increase again in May before falling off during the summer months and increasing in the fall when the majority of calves are marketed. This pattern reflects the seasonal marketing of fall-born calves, with many sold in March and later-born calves as well as yearlings marketed in May. In 2026, placements remained relatively consistent from March through May before declining in June. April placements were greater than 2025 levels and in line with the historical average. Additionally, the number of cattle placed in April weighing less than 700 pounds was also greater than 2025 levels. One possible explanation is that extreme drought conditions early in the year prompted producers to market calves earlier than usual. If some calves were marketed earlier in the spring rather than being held for fall marketing, this shift in timing could help explain some of the larger than expected decline in fall placements. However, with cattle supplies continuing to tighten, placements would likely have remained below year-ago levels even without a shift in marketing patterns. Earlier marketing may have amplified the decline, but tightening supplies remain an important factor in the year-over-year comparison.





The percentage of heifers on feed as of October 1st was 37.8% which is slightly below year ago levels but also slightly higher than the July percentage. This percentage is steadily coming down from its high of 40% in October 2023 but is still not low enough to indicate significant heifer retention.

Questions, contact Hannah at h.baker@ufl.edu
See this update and other helpful resources online at https://rcrec-ona.ifas.ufl.edu/about/directory/staff/hannah-baker/
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