

NEWS

Port City Stockyards Company

Established 1931

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8-30-11

OVER MY SHOULDER

FOR RELEASE ON RECEIPT

J.D.SARTWELLE JR., PORT CITY STOCKYARD CO. SEALY, TEXAS

August has come and gone and was only a repeat of the previous months. Hot and dry over a very large area of cow country, wet over a large area of the farm belt to the east coast, more moderate temperatures and moisture in most of the south. The congress was on vacation and not a lot was heard from Washington while potential presidential candidates either got in the race or got out while the economy changed little.

Record setting high temperatures for the entire month was seen in many places of Texas and Oklahoma with no rain until the end of the month when a few active areas sprang up and rained, albeit not very often in the same spot. By end of month most of the weather activity in the north went all the way to the east coast where record rainfall for the month of August was recorded just before Hurricane Irene added much more to it. Livestock and grain markets behaved about like they have since early summer, ie, rising and falling on the news of the day but being somewhat oblivious to the spikes of the stock markets not only in the U.S. but the major exchanges in the world. In the meantime the hot, dry miserable conditions of a typical August coupled with the same hot, dry miserable conditions of the on-going drought forced sell off conditions on many who had simply run their course and had to holler calf rope. Forage conditions and stock water became non-existent for many folks as unseasonable numbers went to markets throughout the month. For those trying to hang-in, their farmer neighbors began baling corn and milo stubble as well as rice stubble and enlisting any truck they could to do the hauling. Hay went every direction throughout the month at relatively high prices.

In the feedlots with the news that July placements were some 22 percent ahead of last year it was apparent that grazing conditions for the earlier weaned calves of June and July had few homes outside of the feedyards or grow-yards and were placed on feed. The fat ready cattle numbers were slightly ahead of last year's numbers and sold firm-higher throughout the month. The first week of the month saw a whopping

\$4.00/cwt increase to a top of \$113.50 that rose to a top of \$116.00 to end the month about where it all started at the \$113 for a top. The market was well supported by cutout values, the futures, and export demand throughout the month.

At the markets, stepped up numbers of calves of all sizes and weight came to town in large numbers and their mothers came with them. The calf trade held up surprising well with the little cattle tailing off more than the larger calves. The cow trade held up also as cows were shipped in all directions either to the packing house or pastures to the north and east.

Out of Washington and USDA came the proposed Rules on Disease Traceability that the industry has been waiting on. Industry groups are studying and preparing their thoughts on the proposed rules. USDA also revised their corn crop predictions and will probably revise it umpteen more times before harvest in complete. The other big ticket item out of the capitol is the free trade agreements that the President says he intends to present to congress in September. We heard that in June also. In Texas, you will keep hearing about our own brand re-registration within our counties to begin August 29 and run through February 29, 2012. Put it in your job jars and don't forget.

A change in weather would be welcomed and is sorely needed if we are to continue surviving the miserable weather conditions that we are facing. A cooler fall with more moisture might even grow some fall weeds, maybe some rye grass or wheat or oats and later on a little clover. Every dry spell comes to an end with one rain, then two, then three; it can start with the new month and not hurt anyone's feelings that I know.

END