

disabled and veteran employer
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# Ag Connection

**Northeast Missouri** 

Your local link to MU for ag extension and research information http://agebb.missouri.edu/agconnection

### China, the Weather, Coronavirus and Ag Markets

Weather systems and patterns over the past two years have placed an abundance of attention on the grain markets. With current tariffs on Chinese imports and China placing retaliatory tariffs on American imports, the commodities markets have been in a constant price flux. Market trends seem to be in disarray when trying to utilize past pricing cycles and strategies. Over the winter and spring, MU Extension has fielded questions related to the 2018 farm bill, held planning sessions for row crop producers and, has informed those involved in the grain industry of their options. What has seemed to garner less attention has been the cattle market.

Northeast Missouri agriculture enterprises are predominantly beef cattle, corn and soybean. However, both poultry and swine industries continue to apply pressure toward the cattle market. Overall, Missouri ranks third in the nation in beef cows. According to the USDA, 17.8% of total farm receipts goes toward cattle and calves. The US ranks fourth globally in beef and veal exports. As of 2017, Missouri exported over \$200 million in beef and veal products. Recorded cash receipts data is the cash value beef producers receive for selling cattle. Cattle and calves have typically been the largest meat and protein commodity sold. As of now, Missouri is holding this value at \$1.9 billion (USDA National Ag Statistics Service).

In future months, a large question regarding the beef industry is what is the export market doing? Even with the coronavirus outbreak, China is still regarded as a major player for beef exports. Since opening their import market to U.S. beef in 2017, China has consumed more American beef compared to other countries. Conversely, China's per capita consumption is much less than other nations. Current trade agreements have lifted the 47% tariff placed on American beef. However, ramifications this will have on beef producers is unknown. The situation in China in regards to American beef is twofold. Coming into the spring, China's manufacturing activity was weaker. This means both the supply side and the demand side became weak as well.

Entering the summer, there are two trains of thoughts related to beef markets. At the end of last year and into the spring, live cattle prices were mostly positive for feeders. This also had a positive impact for the cow calf producer. However, this modest upswing in the market has done little to sway cattle producers to either increase or decrease cattle numbers. Adding the coronavirus outbreak to the global supply and demand module, the market has trended downward. Overall, expected prices are to remain modest from summer into fall and herd numbers unchanged. This is, of course, if the coronavirus dissipates as projected and the global economy rebounds.

Source: Jason Morris, ag business specialist

#### **USDA Programs**

To help mitigate the economic impact of COVID-19, USDA has developed programs and initiated program flexibilities to assist farmers and ranchers. Current federal flexibilities and programs include:

**Coronavirus Food Assistance Program (CFAP)** - new USDA program that will provide \$16 billion in direct support based on actual losses for agricultural producers where prices and market supply chains have been impacted and will assist producers with additional adjustment and marketing costs resulting from lost demand and short-term oversupply for the 2020 marketing year caused by COVID-19.

**Paycheck Protection Program (PPP)** –a guaranteed loan program administered by the Small Business Administration (SBA). The purpose of the program is to support small businesses (including farmers/ ranchers) and help support their payroll during the coronavirus situation. Funding for this program is limited, so contact your lender immediately to learn more and apply for it.

**Dumped Milk** – For the 2020 calendar year, the Risk Management Agency (RMA) is allowing Approved Insurance Providers (AIPs) to count dumped milk toward the milk marketings for the DRP or actual marketings for the Livestock Gross Margin (LGM) Dairy programs regardless of whether the milk was sold. Producers will still have to provide to the AIPs supporting documentation from the cooperative or milk handler verifying the actual pounds dumped and that the milk was dumped.

**Crop Insurance Flexibilities** – USDA RMA is working with insurance providers to provide additional flexibilities in response to COVID-19 including:

- Enabling producers to send notifications and reports electronically
- Extending the date for production reports
- Providing additional time and deferring interest on premiums and other payments
- Authorizing replant self-certification
- Wwaiving the witness signature requirement for approval of Assignments of Indemnity
- Allowing dumped milk to be counted as milk marketings for the Dairy Revenue Production (DRP) or actual marketings for the LGM-Dairy programs
- Aallowing phone and electronic transactions for 2021 crop year sales and reporting dates, including options and endorsements

• Extending the deadline for some perennial crop Pre-Acceptance Inspection Reports (PAIRs). Producers are advised to continue working with your approved insurance providers on policies, claims, and agreements. All questions should be directed to your insurance agent.

**Farm Loan Flexibilities** – Farm Service Agency (FSA) is currently relaxing the loan-making process and adding flexibilities for servicing direct and guaranteed loans to provide credit to producers in need. For more information, contact your local FSA office.

**Commodity Loan Flexibilities** - agricultural producers now have more time to repay Marketing Assistance Loans (MAL). The loans will now mature at 12 months rather than 9, and this flexibility is available for most commodities. The maturity extension applies to nonrecourse loans for crop years 2018, 2019, and 2020. Eligible open loans must be in good standing with a maturity date of March 31, 2020, or later or new crop year (2019 or 2020) loans requested by September 30, 2020. All new loans requested by September 30, 2020 will have a maturity date 12 months following the date of approval. The maturity extension for current, active loans will be automatically extended an additional 3 months. For more information on MALs, contact your local FSA office.

**Crop Acreage Reporting** – to obtain maps and finalize signatures on acreage reports, FSA offices and producers are using the following methods: a physical "drop box" located at or near the local USDA Service Center, electronically via email, or through the mail.

Animal Mortality – Natural Resource Conservation Service (NRCS) offers assistance through the Environmental Quality Incentives Program to help agricultural producers properly dispose of livestock that were depopulated because of impacts from the coronavirus pandemic. Through the Emergency Animal Mortality Management practice, NRCS helps producers plan and cover part of the cost for disposing of livestock because of an emergency animal mortality event. Once capacity is reached in an animal mortality facility, NRCS will help producers dispose of the remaining livestock through burying, incinerating, disposal at landfill or render, and other disposal options.

For more information on USDA flexibilities and programs visit: <u>https://www.usda.gov/coronavirus</u>.

Source: Karisha Devlin, ag business specialist

#### Handling Cattle with a Safety First Approach

Safety first should always be at the forefront when handling cattle. Handling cattle, whether it is moving to different locations, loading into trailers or working through the chute can be smooth or difficult. Most farmers have heard stories about experiences with some of the meanest and perhaps baddest cattle on the planet. Cattle have good days and bad, just like humans. However, with the understanding of cattle, some of the dangers of handling cattle can be minimized.

There are numerous motives why cattle react the way they do. Most of this can be traced to their instinctive characteristics. For the handler, it is important to understand these characteristics and the stress animals are under when handling. Many accidents occur when animals are highly excited or agitated and are under a tremendous amount of stress. The primary issue can be traced to either fast paced handling or a lack of understanding on the part of the handler or both.

Unlike humans, cattle have the ability to see in all directions or for 300 degrees. Their eyesight allows seeing everything within their vision range with the exception of what is directly behind them. (Figure 1.) This is important for any handler as approaching cattle from this blind spot can not only startle the animal but make them take flight or worse, defend themselves. Though cattle have the ability to have great range in vision, they have difficulty in perceived ground distance when moving. This often results in cattle stopping and lowering their heads as if to gauge the distance in front of them. Another limitation cattle have with vision is the inability to distinguish shadows from ditches. This can cause cattle to stop and balk as well as seeing unfamiliar objects. Differing from humans, cattle display sensitivity toward light and would rather travel toward that light when compared to either dimly lighted or dark areas as their vision is less comprehensive. When moving cattle into a dark trailer at night or into a dark chute, place lighting where they can see where they are going; preferably something that does not create a glare.

Cattle also possess an instinct called "herd instinct". As they are prey animals, they feel more secure when placed in groups. This instinct attracts them to each other and will enable them to move together as a group. When alone, cattle can experience a high volume of stress and can counter with the "flight" or "fight" instinct. This is often seen with bulls being extricated from the herd. When moving bulls or separating any cattle, it is recommended to allow another animal or two to move with the bull until it is at the departure point.

Lastly, it is important to understand the flight zone cattle possess. Similar to humans, they have a comfort zone and are not fond of fraying from it. This zone is different for each animal. Understanding the flight zone consists of knowing the proximity between the animal and handler before movement of the animal takes place. If entering from the front, the animal will most likely turn and move to the side, away from the handler. If approached from the rear, the animal will move forward but at an angle to which it can see the handler. This zone is determined upon the previous experiences in dealing with humans. The more docile cattle are, the closer one can get before the animal moves. Wild cattle or cattle with minimal human interaction will move before a docile animal will. Always remember, some animals have a stronger fight element to them and will defend themselves rather than move away from perceived danger.



Figure 1. Cattle's ability to see 300 degrees

Source: Jason Morris, ag business specialist



# **MU Town Hall Meetings**

MU Extension is offering weekly town hall meetings virtually for Missouri farmers and gardeners. State and regional extension specialists share information and answer questions. The meetings are conducted using Zoom allowing participation through computer/internet or by telephone. Persons must register to get the directions for participating. To register go to the website <u>https://ipm.missouri.edu/TownHalls/</u> or call your county extension office.

Home horticulture: Wednesdays, 11 a.m.-noon.

Forages and livestock: Thursdays, noon-1 p.m.

## **Finding Local Foods**

The coronavirus has resulted in more consumer interest in purchasing food locally. University of Missouri Extension's Center for Applied Research and Engagement Systems (CARES) in collaboration with Missouri Department of Agriculture developed an online tool.

The online tool is called Missouri Food Finder. Farmers and growers can register by entering basic information about the food they sell, hours open, location and contact information. The information will automatically show up on a Missouri map. Consumers simply type in their location to see what options are available.

The tool is provided as a courtesy to help consumers and local food sources connect.

www.MoFoodFinder.org

#### **Custom Rate Guide Updated**

The MU Extension custom rate guide is updated about every three years. The guide was updated this year and published in May. The guide can be found in the link below.

https://tinyurl.com/MUExt-G302

#### MU Extension COVID-19 Resources

MU Extension has built a webpage with many resources related to the issues of COVID-19 including agriculture, food systems, specialty crops, personal finance and more

https://tinyurl.com/covid-19-MU