COWS IN CONTROL Inc.

THE WATERTROUGH

Cows in Control Newsletter **November 2025**

Cycles...

One of the best things about our cattle business is the predictability of the 10 year cattle cycle. Prices go up, and prices go down in a fairly predictable manner. Downcycles are a fairly predictable event that causes great anxiety to cattle producers, but is actually healthy, cleansing and doesn't have to be painful if hedging and timing your purchases and sales to match the cycles. We will talk about the cattle cycle and prices in general and encourage producers to not be afraid! Prices may set back without profits going away. It is just a cooling off period, not necessarily doomsday for cattle prices. A good marketing and hedge plan can alleviate a lot of stress and tension!

"If you understand how history has worked in past [market] cycles, it can surely assist you in future market cycles"

- John Boik

Cows in Control client services:

1) **Developing an annual marketing strategy for your cattle**
2) **Working with you to protect the value of your herd**
3) **Analysis on retained ownership and forward pricing**
4) **Making sense of the markets**

Give us a call for a free consultation

The ten year cattle cycle for the unhedged...

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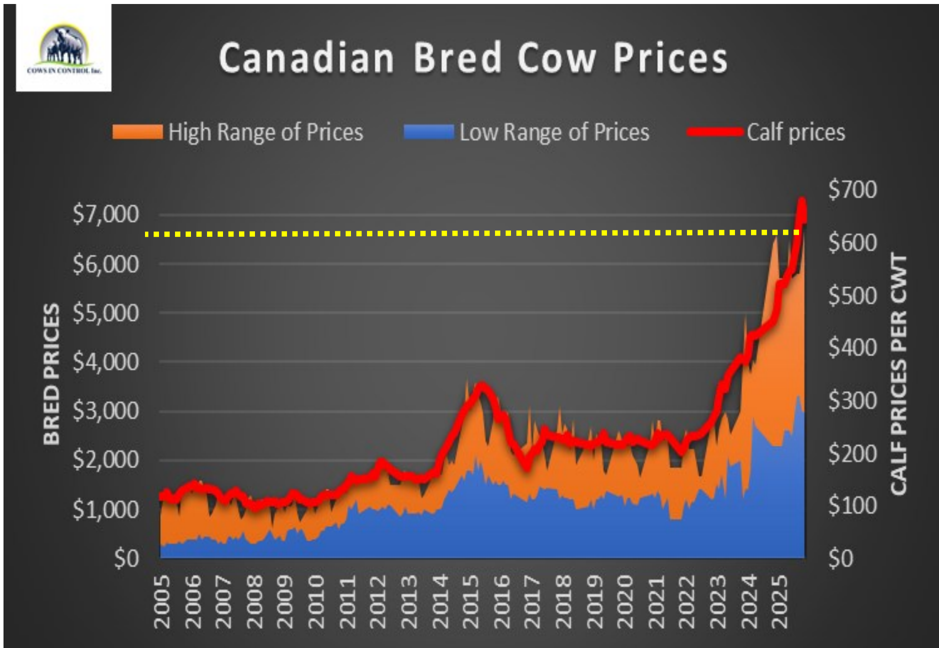


Bred prices compared to calf prices

The Marketing Buzz (November 14)

Canner cows, heiferettes and bulls

Cull cows: **$160-237 (avg. $216 D2)** **Heiferettes: $270-370**

Cull Bulls: **$210-365** *($5000 cull bulls; $3000+ cull cows!)*

Breds

Bred heifers: $3100-7500; avg. $5653
Breds: $2150-8900; avg. $5322

Feeders *(red numbers: change in prices from one month ago)*

Steers:	450 wts	$7.32	(-.61)	Heifers:	450 wts	$6.28	(-.91)
	550 wts	$6.32	(-.56)		550 wts	$5.63	(-.57)
	650 wts	$5.55	(-.54)		650 wts	$5.08	(-.53)
	750 wts	$4.99	(-.60)		750 wts	$4.57	(-.45)
	850 wts.	$4.65	(-.44)		850 wts	$4.21	(-.39)
	950 wts.	$4.33	(-.38)		950 wts	$4.08	(-.28)

Slide 550-850: 56 cents/cwt **Heifer:steer @ 750 lbs: -42 cents**

Finished Cattle

$2.96/lb live; $4.95/lb rail

Feeder Basis:- 9 (futures) **-15** (US cash)   **Finished cattle Basis: - 11** (futures) **- 19** (US cash)

(Note: Futures have corrected back and put our Canadian cattle prices back in line with US prices.)

Breds in line?...

There are numerous ways to value a bred heifer or bred cow value. A 550 lb steer calf is generally 55-60% of the value of an upper end bred cow. Or you might look at the correlation of a fed steer to a bred heifer. Or you might look at her present value when you factor in the projected revenues of her future calves, and figure out what you can afford to pay for that heifer today.

One of the simplest barometers is simply the price/lb of a 550 lb steer calf overlaid on the upper-end bred values as we have demonstrated at left. The correlation is very good.

550 lb steer prices are in the mid to low $6/lb price range as indicated on the right side axis of the chart at left. If you look on the left axis directly across, that suggests good commercial bred heifers and young cows should be in the high $6000's.

In the past month, we saw the futures sell off 18-20%, pulling cash prices down with it. This has put fear into our market.

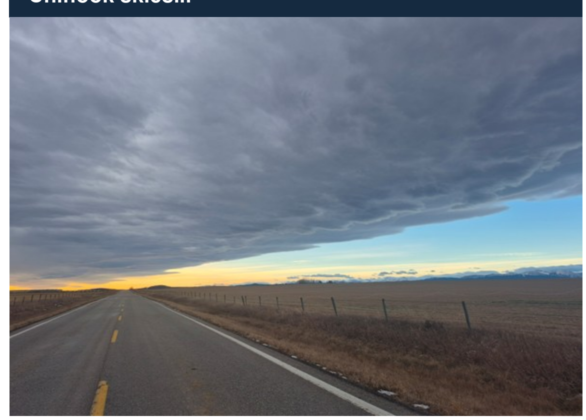
The internet bred sales in November have shown bred heifers averaging $5600 and bred cows averaging $5300. Upper end bred cows averaged around $6300.

Our bred prices today are pretty much right where they were one year ago today, yet calf prices are $2/lb higher than a year ago. Take note. Is there value there?

These good bred heifers should be averaging around $6300 or so with current calf prices. With bred heifers trading $5600, ranchers are projecting calf prices to be another 50-60 cents lower than today. Are they right?

Bred prices seem high amid these softening markets, but in relation to calf prices, they are very much in line and better value than last year. Ranchers are demonstrating caution in their bred pricing.

Chinook skies...



10 year cattle cycle...

One thing unique to the cattle industry, is the predictability of the "ten year cattle cycle".

The ten year cattle cycle suggests prices build for 5 years, and then soften for 5 years as the herd is rebuilt, grows and contracts. You can see on the upper graph at right how the 10 year cattle cycle has been at work in the last 20 years.

Our most recent portion of the cycle has been from the Covid lows in 2020 to our peak this fall. The cycle suggests to prepare for softer prices ahead for the next few years.

The middle graph shows that ten year cycle going back to the 1970's. The cycles weren't always a perfect 5 years up and 5 down, but pretty close. We have also shown on the graph the amount prices pulled back on each downward part of the cycle. Generally around 40-55% corrections in prices. The 2016 sell-off was a doozy!

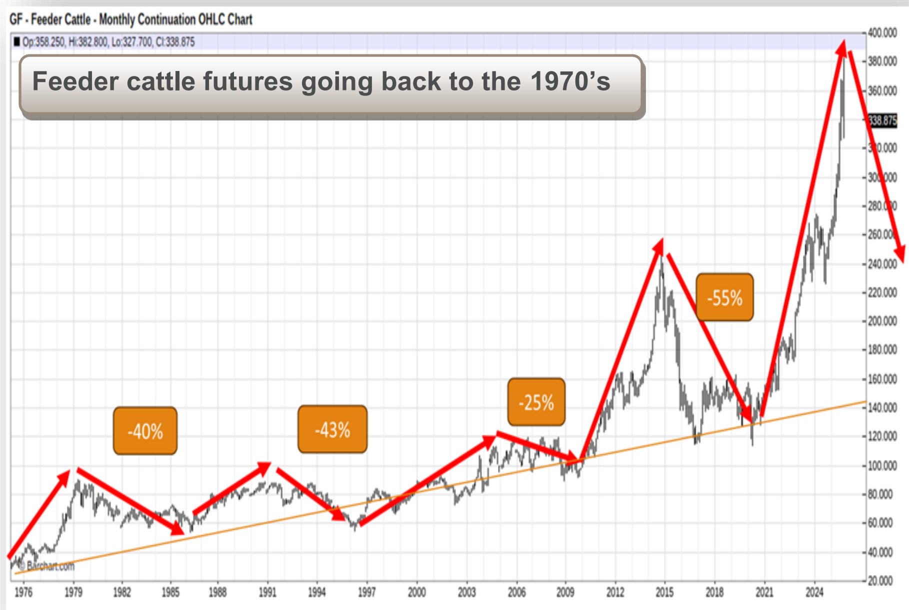
We drew the last cattle cycle from 2010 to 2020 on the lower graph in blue with prices on the left axis for an 850 lb steer at that time. Then with the orange line, we overlaid our current 850 lb steer prices since the start of this current cycle with prices on the right axis.

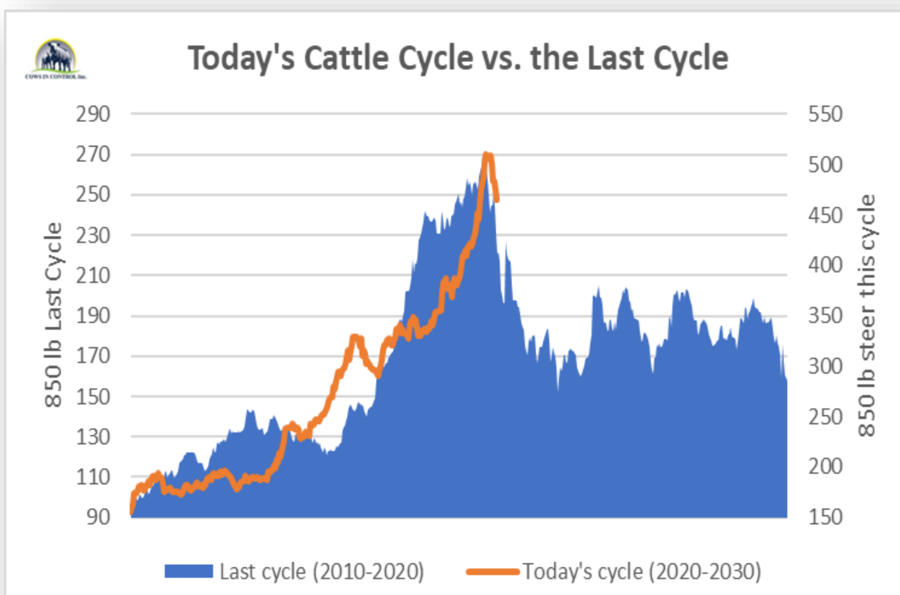
It is amazing that this current cycle appears to have peaked at the exact same duration as the previous 10 year cycle. The previous cycle peaked in 2015, and corrected 55-60% in a year and a half. That was a nasty pull back with record speed. We are hoping that with our smaller cow herd and strong demand, that the pull back this time will be more gradual and less intense, but we must let the market decide that.

The 10 year cattle cycle is an asset to people in the cattle industry due to its predictability and repeatability. It allows us to be able to get proactive about hedging our prices and to be able to somewhat predict the market price destinations.

Are you ready for the next leg? We can predict the inevitable with the 10 year cycle and sleep at night by hedging it.

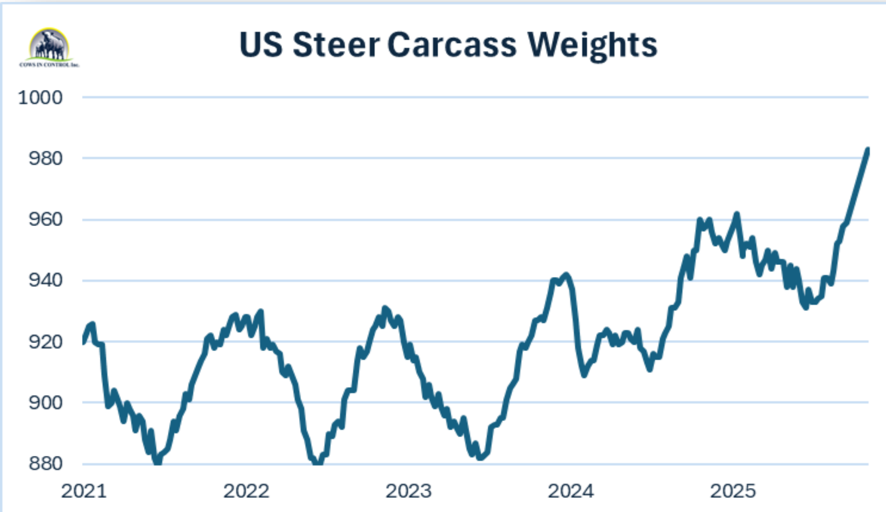
10 Year Cattle Cycle...





Big, big beef...

With the US government shutdown for the last 5 weeks, we finally got an updated US steer carcass weight for the first week of November. 983 lbs. An all time high. Additionally, the US has just under 20% more cattle on feed over 150 days this month than last year. If you wonder how the US can maintain its beef supplies despite cow herd numbers being down to 1950's levels, it is in part due to this.



In Canada, our steer carcass weights averaged 992 lbs! We are now averaging nearly 1000 lb carcasses. What is the peak? That is 3% higher than the 5 year average.

In the US, the carcass weights are up 3%. That is like having 3% more cattle, more than what this month's cattle-on-feed report is down. Cattle prices rose 36% from last year to the peak this year, despite beef production being steady. First of all, it shows we are not short of beef. Second, this is a demand led rally. Thirdly, we are substituting cows and grasslands for more grain, days on feed and higher carcass weights. Fourth, we are incentivizing ranchers to produce larger cows and less of them.

Contact Us

Give us a call for more information about our services and products

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www.cowsincontrol.com
Www.buysellbreeders.com

TO LOVE THE LORD YOUR GOD AND TO SERVE HIM WITH ALL YOUR HEART AND WITH ALL YOUR SOUL – THEN I WILL SEND RAIN ON YOUR LAND IN ITS SEASON, BOTH AUTUMN AND SPRING RAINS, SO THAT YOU MAY GATHER IN YOUR GRAIN...I WILL PROVIDE GRASS IN THE FIELDS FOR YOUR CATTLE, AND YOU WILL EAT AND BE SATISFIED." - DEUT. 11:13

Cows in Control, serving the cattle producer

Thoughts on the industry

It looks like the cattle market may have topped out, despite the North American cow herd being the lowest in many decades. The market thinks prices have gone far enough. The 10 year cattle cycle ticks like an ever present grandfather clock. Tick...tock...tick...tock...5 years up...5 years down...tick...tock. This market turned on a dime at the exact moment in the cycle that the last 2010-2020 cycle turned, right on the 5 year mark. Remarkable.

Does it mean prices will come crashing down? Are we nose-diving to uneconomic price levels once again? No! Not necessarily. The 10 year cattle cycle is actually a beautiful thing in terms of its predictability and reliability. It allows us to time our purchases and also time our exit, sales, or hedging. The 5 year down cycle doesn't have to be a nose dive or catastrophic event. It can be a slow sideways or choppy ride lower that can 1) be hedged, 2) allows us an opportunity to reload on replacements at lower price levels and 3) cools off input pricing which go crazy during bull markets. Calf prices going up $2/lb in a single year was fun and exciting, but certainly not sustainable. Now we need to find levels where all the sectors in the beef industry can make margins. The market will figure that out.

The interference by the US government in the cattle industry affairs can and has certainly caused some grief to our prices. The dropping of Brazil's tariffs scared the market. Perhaps the Mexico border opening again, will be the next shoe.

One thing we haven't seen in earnest is a solid heifer retention and herd rebuilding. We have been making up for short numbers on the ranches by making cattle bigger in the feedlots. Now they are approaching 1000 lb carcass averages. How far can that trend last? Then consider we have turned every eligible dairy calf into massive beef-on-dairy animals in the feedlots. With flat dairy herd numbers, we can assume that we are close to maxing out that trend as well.

On a calf revenue to bred cow ratio, bred cattle even at these high prices are still value when considered against their potential lifetime calf revenue. Don't throw in the towel on this cow business. The sequence of continuously higher prices may be ending, but the profit cycle is far from over even with a correction in prices. - Take care out there - RC


OLDS COLLEGE
OF AGRICULTURE & TECHNOLOGY
FOOTHILLS FORAGE
AND GRAZING ASSOCIATION
COMING BACK TO THE FARM
An evening for Agriculture students and future producers
January 28, 2026
5:00pm
Olds College Alumni Centre
Guest Speakers
Angela Kumlin - Lazy J Cattle Co.
Lorin Doerksen- Gemstone Cattle Co.
Ben Campbell - Grazed Right
Brandon Toews - Route 304 Cattle Co.
Graydon Garner - Moderator
Hear real stories from producers who've each forged their own path in agriculture! Learn from next-generation innovators, successful family farm successors, and a first-generation producer who built his operation from the ground up. Together, they'll share their experiences, lessons learned, and practical insights on what it takes to build a thriving future in agriculture.
JOIN US FOR A FREE SUPPER!
REGISTER BY JANUARY 14, 2026!
This event is free to attend, but please register at:
www.foothillsforage.com/backtothefarm


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COWS IN CONTROL

HEDGE TRAINING CLASS

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WHEN

Tuesday, January 13th, 2026
9am - 3pm

WHERE

Veterinary Agri Health Services
Crossfield, Alberta

FEATURING • Ventum Financial's Scott Cockx and Cows in Control's Ryan Copithorne in a one day training seminar on using hedge tools and simulating a risk management pro-

www.cowsincontrol.com

ALL SKILL LEVELS EVENT

TICKETS
$400

CLIENTS
$200

INCLUDES

Education on risk management

How to set up a hedge plan for your cattle operation

Cattle, grain, currency hedging

Trading simulation

Lunch included

Bring laptop with Excel or Google sheets if you have one please!!

RSVP

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