Weather and Drought Report

U.S. Drought Monitor

In the last month, drought conditions have continued to become more severe across Utah. Since the October Precip & Prices report, the percent of land area classified as experiencing extreme and exceptional drought (D3-D4) has increased. As of the U.S. Drought Monitor report released yesterday, just under 30% of the state is in exceptional drought (D4). Further, 58% of the state is in extreme drought (D3). This means that 87% of the state falls into the two highest categories used by the Monitor. It is important to remember that these categories are associated with far-reaching impacts such as stress to native vegetation, low streamflow, fire restrictions. Further, it is expected that these conditions will have negative impacts to agriculture such as crop loss and declining forage quality.

Moreover, conditions are not expected to improve this fall. In fact, drought conditions are expected to persist through the winter as below average rainfall and above average temperatures are forecasted. This is likely going to have continued impacts on crop and range conditions across the state.

It is also important to put this year’s drought in perspective of previous droughts. We mentioned that this year’s drought is dramatically different than last year’s drought but Utah actually hasn’t seen conditions this severe and extensive in nearly 20 years. Since 2000, only 2002 and 2003 experienced similar drought conditions as characterized by intensity and extent across the state.
Price and Agriculture Market Report

Range and Pasture Condition

Western range and pasture conditions have continued to worsen, deteriorated especially beginning in August. Range conditions began to slightly improve towards the end of September but that trend didn’t last very long as close to 55% of Western range was classified as poor to very poor by end of October. This is going to especially impact cattle producers that rely on winter range in the southern part of the state. Producers should prepare for drought conditions and began analyzing the use of drought insurance (Pasture, Range, and Forage Insurance). The sign up deadline for Pasture, Range, and Forage Insurance is November 15, 2020.

Market Prices

November feeder futures have trended downward through the end of October. have shown an uptick in the past few weeks. In the cash market, Salina livestock auction prices showed the same pattern. Cash prices had dropped almost $10/cwt since the end of September for both steers and heifers. Choice steers 500-600 lbs had dropped from $148.33/cwt in September to $137.51 on October 27. Utah hay prices have held steady with dairy quality hay being reported at $205/ton, good quality hay at $155/ton, fair quality hay at $125/ton, and 3 way at $15/ton.