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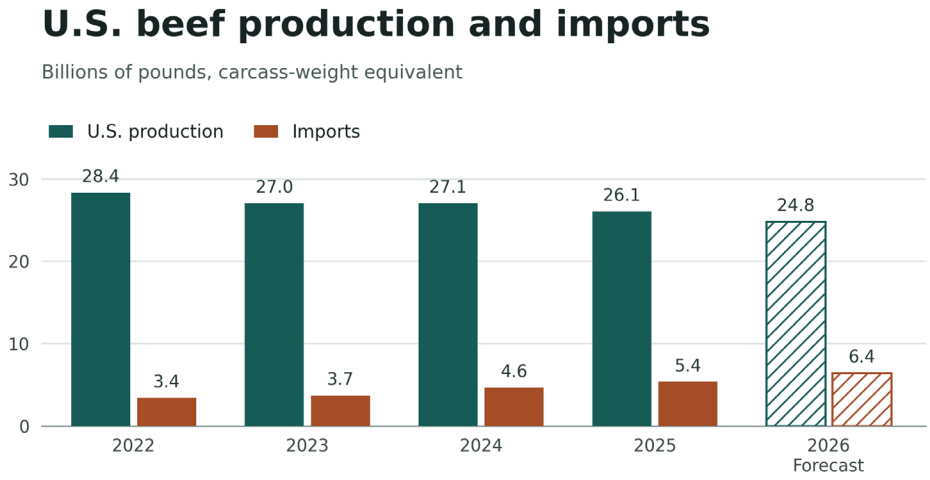
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RightRisk News

How Much Risk is Right for You?

Beef Imports and Cull-Cow Prices: What Reaches the Ranch?

Cull-cow bids at some sale barns have fallen well below summer highs. Meanwhile, the United States imported 567 million pounds of beef and veal in September 2026, nearly 50% more than a year earlier. Imports for the first nine months of 2026 were about 18% higher than in the same period in 2025. September was also the first month of a temporary tariff change for imported lean beef. How did that change affect what buyers expected, and what else was moving local bids?



In 2022, the United States produced 28.4 billion pounds of beef and imported 3.4 billion pounds. By 2025, production had fallen to 26.1 billion pounds and imports had risen to 5.4 billion. USDA's November forecast puts full-year 2026 production at 24.8 billion pounds and imports at 6.4 billion. If that forecast holds, imports would account for about 21% of U.S. production and imports combined, up from about 11% in 2022. For ranchers selling cull cows, the most direct link is the lean beef that grinders can buy from either U.S. cow processors or overseas suppliers.

Why lean beef imports rose

After years of herd liquidation, fewer U.S. beef cows went to slaughter in 2026. That left grinders with less domestic lean beef and helped draw in imports before September. On August 26, President Trump signed Proclamation 11059, which allowed up to 300,000 additional metric tons of qualifying lean beef trimmings to enter at a lower tariff, starting in September. The final installment was scheduled to close when filled or on November 30, whichever came first. Customs reports showed that importers had used 37% of September's allowance by September 28 and 31% of October's by October 26.



The tariff change came just as more cows typically head to market. Beef producers often sell cull cows at fall weaning, dairy cow slaughter had picked up from its spring low, and drought led some ranches to sell cows sooner. Buyers were

weighing the prospect of more imported lean beef at the same time that more cows were coming up for sale in some markets.

What goes into a burger?

A grinder could mix 75 pounds of 90% lean trim with 25 pounds of 50% lean trim to make 100 pounds of 80% lean ground beef. The first ingredient can come from domestic cows or imported lean beef. The second often comes from trimming fat as steaks and roasts are cut from fed steers and heifers. An imported pound of lean trim can take the place of a domestic pound in the blend if it meets the buyer's needs. It can also help a grinder use fattier U.S. trim that needs a lean ingredient to make the blend. That blend gives packers an outlet for fatty trim. Wholesale prices for that trim still fell from their May high into early November.

How the price signal reaches the ranch

When restaurants sell more burgers, they may order more ground beef. That can lead grinders to buy more trim and packers to bid for more slaughter cows. Economists call this derived demand. Part of the demand for a slaughter cow comes from what buyers will pay for the beef it yields. Imported lean gives grinders another source, which can limit what they are willing to pay for domestic lean beef. How much of a wholesale price change reaches local cattle bids is called price transmission. Fall sale volume and local slaughter capacity can change the size and timing of that response.

University of Kentucky economist Kenny Burdine pointed to the quota announcement as a source of early weakness. Buyers could lower their bids in anticipation of more lean beef while most of the new quota was still unused.

Extension economist James Mitchell found that cull-cow prices in Arkansas, Mississippi, and Kentucky fell 24% to 28% from July to October 2026. Over those same months in 2020 through 2024, declines averaged 12% to 14%. Mitchell pointed to both larger imports and regional drought.

In the Southern Plains, Texas A&M economist David Anderson reported an 18% decline from the spring peak through late September. The reports cover different regions and time periods and leave the share of each decline due to imports unresolved. For a local comparison, a ranch can check how bids for the same class of cow changed over the same weeks in prior years.

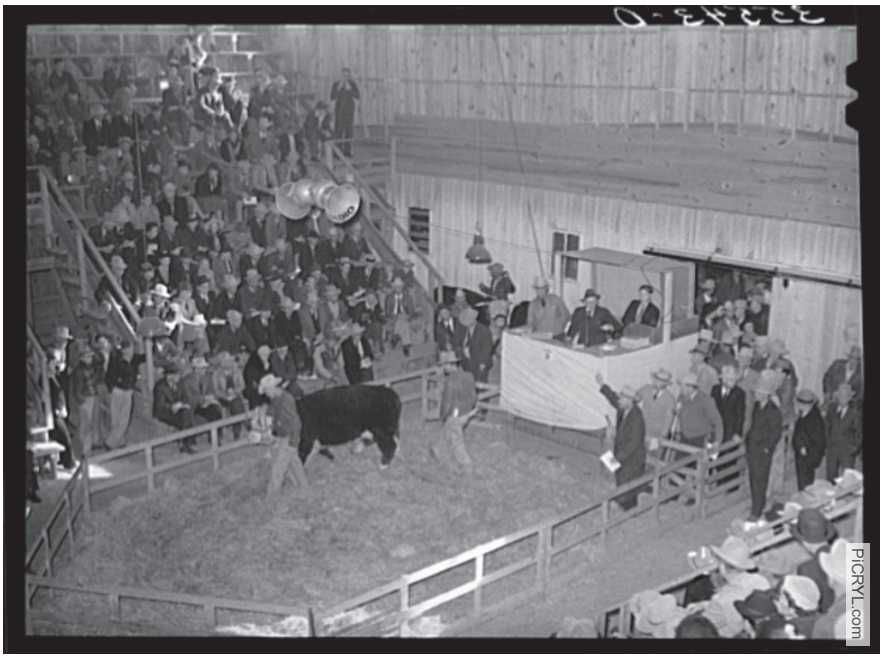
The effect on calf bids is more indirect. Fed-cattle bids reflect the value of the whole carcass, including steaks and roasts. A feedlot buying calves today looks ahead to what it expects to sell finished cattle for, then accounts for feed, interest, and other costs. The number of feeders available matters too. Live cattle shipments from Mexico can change that supply as ports reopen in stages under animal-health rules.

When shoppers switch meats

A change in pork prices can change how much beef shoppers buy. Economists call that response cross-price elasticity. In one USDA example, a 1% rise in the retail price of pork is associated with a 0.33% increase in the quantity of beef shoppers buy, all else equal. The estimate describes shopping choices. Any effect on cattle bids has to work its way through meat sales, wholesale markets, and packer purchases.



Sell now or hold?



Suppose a healthy, thin 1,300-pound cow could sell today for $130 per hundredweight, or $1,690. Holding her for 45 days adds $110 in feed, interest, and other expenses, before any allowance for death loss. If she reaches 1,360 pounds and selling costs are the same either way, she needs to bring $1,800, or about $132.35 per hundredweight, to break even on waiting. At $125 per hundredweight, holding leaves the ranch $100 behind. At $140, it puts the ranch $104 ahead.

Added flesh can improve dressing percentage, the share of live weight that becomes carcass. It may also move a thin cow into a better-paying market class. At 1,360 pounds, a $5-per-hundredweight premium for a better class would add $68 to the sale. The budget should use local bids for the class the cow is likely to reach and include an allowance for death loss if that risk could affect the decision.

A seasonal price recovery can help cover the cost of holding. A cow already in good flesh may have less room to improve. Feed shortages, illness, or death can erase the gain.

USDA's Livestock Risk Protection (LRP) offers price coverage for eligible calves and fed cattle. The fed-cattle endorsement covers certain dairy cull cows. Beef cull cows are ineligible. For those cows, the local bid, available feed, and a realistic estimate of sale weight and condition give the ranch a basis for deciding whether to wait.

Evaluating Break-even

RightRisk offers two tools for putting these numbers to work. The *Risk Scenario Planning* (RSP) Tool can show how a lower sale price or higher feed cost changes the outcome of holding cull cows. T*he Enterprise Risk Analyzer* (ERA) can help estimate the break-even price for the cow-calf enterprise as a whole, using its costs and expected production. Both tools and their user guides are available at: **RightRisk.org/Analytics**.

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