



TUESDAY MORNING DECEMBER 15, 2020 LIVESTOCK REPORT

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CATTLE

USDA FEDERAL CATTLE SLAUGHTER

DECEMBER 14, 2020	120,000
WEEK AGO	119,000
YEAR AGO	120,000

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	CHOICE	SELECT
BOXED BEEF FINAL	209.69	192.30
CHANGE FROM PRIOR DAY	(4.19)	(3.41)
CHOICE/SELECT SPREAD:		17.39
TOTAL LOAD COUNT		177
5 DAY SIMPLE AVERAGE:	220.51	202.15

PREVIOUS WEEK 12/11/2020	CHOICE	SELECT
BOXED BEEF FINAL PRICE	213.88	195.71

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Based on negotiated prices and volume of boxed beef cuts delivered within 0-21 days and on average industry cutting yields. Values reflect U.S. dollars per 100 pounds

FINAL DECEMBER 14, 2020

Primal Rib	447.69	345.34
Primal Chuck	163.65	162.18
Primal Round	167.92	168.08
Primal Loin	258.43	232.37
Primal Brisket	139.12	144.91
Primal Short Plate	109.04	109.04
Primal Flank	93.53	91.54

FINAL DECEMBER 11, 2020

Primal Rib	467.69	355.16
Primal Chuck	166.03	166.33
Primal Round	169.17	167.95
Primal Loin	259.97	233.61
Primal Brisket	145.89	152.80



Primal Short Plate	113.97	113.97
Primal Flank	90.72	93.91

LOAD COUNT AND CUTOFF VALUE SUMMARY FOR PRIOR 5 DAYS

Date	Choice	Select	Trim	Grinds	Total	CHOICE 600-900	SELECT 600-900
12/11	65	26	21	19	131	213.88	195.71
12/10	98	27	27	33	185	214.59	198.47
12/09	132	40	17	18	207	218.26	201.65
12/08	122	39	39	29	228	225.02	205.42
12/07	112	27	7	16	161	230.80	209.48

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NATIONAL BOXED BEEF CUTS - NEGOTIATED SALES FOB Plant basis negotiated sales for delivery within 0-21-day period. Prior days sales after 1:30pm are included.
CURRENT VOLUME - (one load equals 40,000 pounds)

Choice Cuts	127.19 loads	5,087,574 pounds
Select Cuts	21.16 loads	846,503 pounds
Trimming	15.48 loads	619,337 pounds
Ground Beef	13.55 loads	542,077 pounds

USDA BY-PRODUCT DROP VALUE (STEER) FOB CENTRAL U.S.
[HTTPS://WWW.AMS.USDA.GOV/MNREPORTS/NW_LS441.TXT](https://www.ams.usda.gov/mnreports/nw_ls441.txt)

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DECEMBER 2020 USDA LIVESTOCK REPORTS

USDA CATTLE ON FEED – FRIDAY DECEMBER 18, 2020 2:00PM CENTRAL TIME
USDA COLD STORAGE – TUESDAY DECEMBER 22, 2020 2:00PM CENTRAL TIME
USDA QUARTERLY HOGS AND PIGS– WEDNESDAY DECEMBER 23, 2020 2:00PM CENTRAL TIME

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DELIVERY NOTICE SERVED – DECEMBER 2020 - LIVE CATTLE
SETTLEMENT: DECEMBER 11, 2020 - \$109.10
OLDEST LONG: 03/03/20 SETTLEMENT AT \$112.60
0 DELIVERIES

USDA POSTED CATTLE PRICES ON 12/14/2020
IA/MN – CASH - No Reportable Trade Dressed.- No Reportable Trade
NE - CASH – No Reportable Trade Dressed.- No Reportable Trade
KS – CASH No Reportable Trade. Dressed - No Reportable Trade.



TX/OK/NM – No Reportable Trade
CO – Information not available due to confidentiality

*****National Daily Direct Cattle 12/14/2020**
(5 day accumulated weighted avg)

	Weight	Price	Head
Live Steer:	1492	\$106.63	18,077
Live Heifer:	1295	\$106.92	9,682
Dressed Steer:	974	\$167.90	9,870
Dressed Heifer:	866	\$168.38	3,765

Cattle futures slightly lower Monday as traders wait to see how cash trade will go for the week. Keep an eye on nearby spreads to see if trade over the week is bear spreading.

With boxed beef falling like a heavy rock and packers this week buying for a shortened week next week, it is hard to see cash and futures trading higher. But, packers are still making big profits and will want to push as many cattle through the plants as possible especially cattle that aren't overweight. Look for bigger discounts on Yield Grade 4s and 5s. Feedlots are asking \$110.00. If they have the right sort of cattle, they could get it but if cattle don't meet a packer's specifications, packers can either pass on the cattle or discount.

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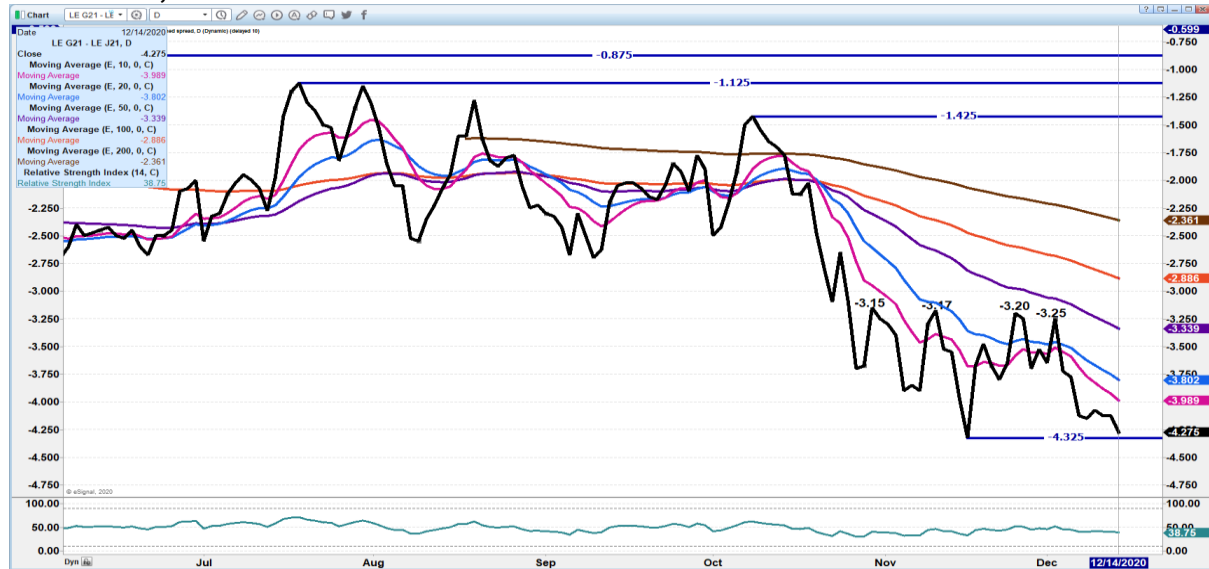
With two weeks before 2021, the overweight problem may go into 2021. It of course depends on if feedlots are going to throw in the towel and dump the overweight cattle or will they hold for a couple of more weeks hoping cattle will rally. Unfortunately, it likely will be the latter especially if packers pay up for right weight cattle. Nothing encourages a stubborn feedlot manager more than higher prices. If they keep cattle, sellers better keep a close eye on weight discounts. Futures and cash could rally and discounts could widen more. Last week packers in the South and Southwest bought mixed loads of heifers and steers and choice and select for the same price and paid more than cattle in the North and Midwest. For overweight cattle, Yield Grade 4's and 5's, the feedlots will likely see wider and deeper discounts this week. As restaurant have more restrictions or close, heavy cuts are going to be a problem.

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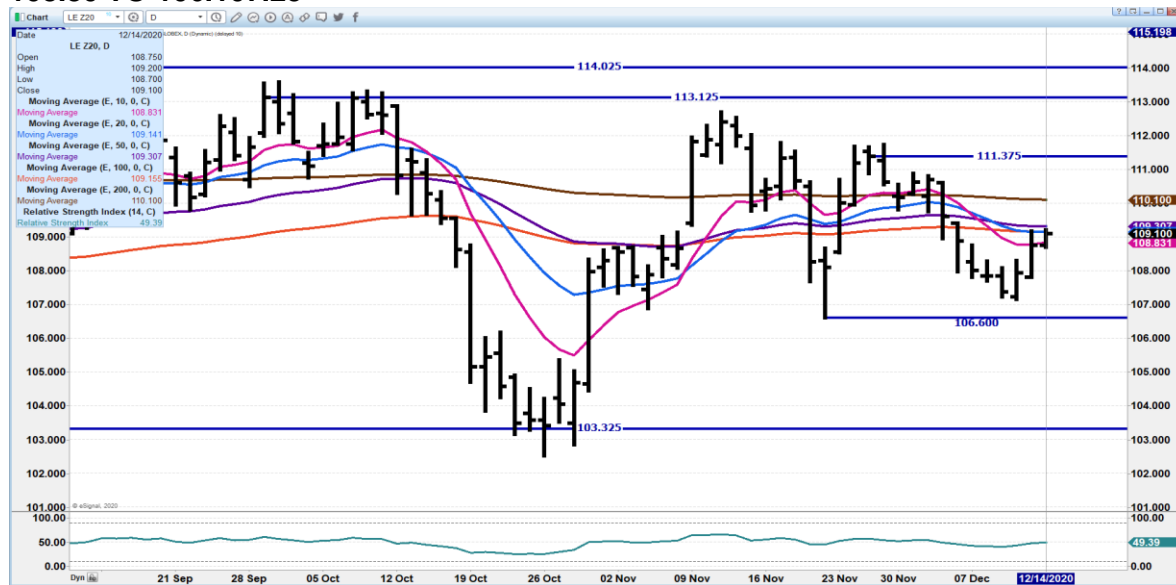
As of December 8, 2020, dressed steer and heifer weights were 894.2 compared to previous week at 896.5 down 2.3 pounds from week ago and the same as last week, 21 pounds over a year ago. Grading percent was 81.9%, down compared to previous week at 81.9 %.



FEBRUARY 2021 LIVE CATTLE/APRIL 2021 LIVE CATTLE SPREAD - SPREAD WIDENING, BEAR SPREADING.



DECEMBER 2020 LIVE CATTLE - RESISTANCE AT 109.37 TO 110.15 SUPPORT AT 108.80 TO 106.107.25

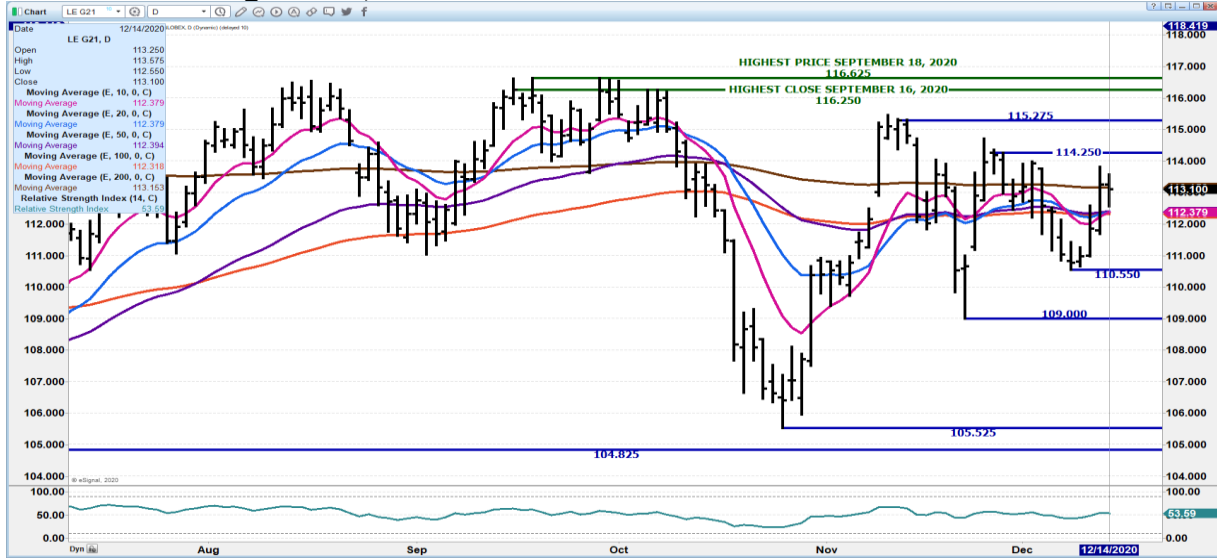


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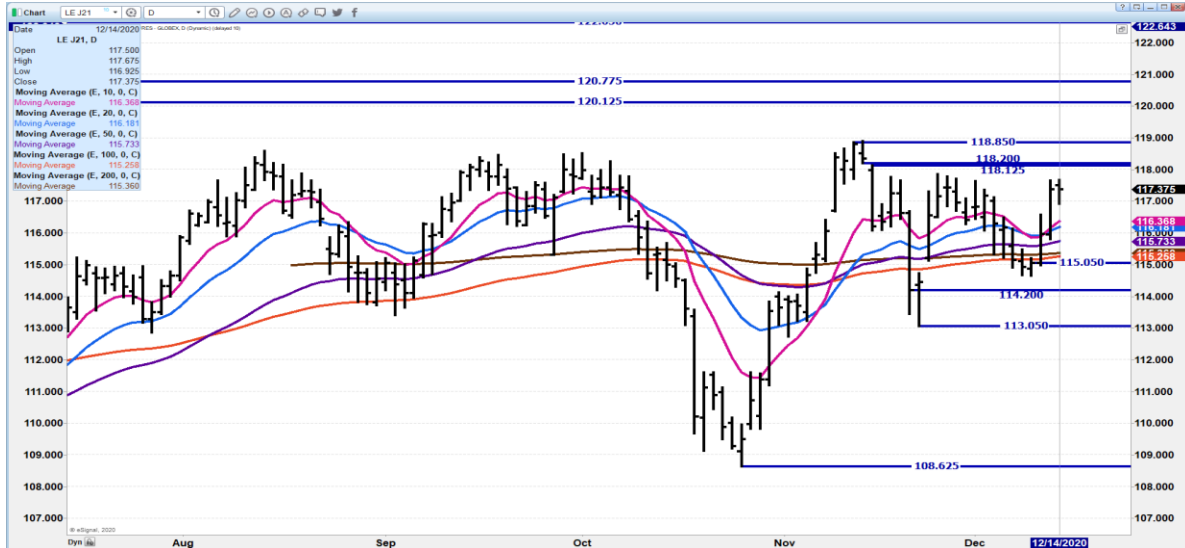
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FEBRUARY 2021 LIVE CATTLE Resistance at 113.37 to 114.25 Support at 112.37 to 110.55 Volume light at 16,305



APRIL 2021 LIVE CATTLE = VOLUME AT 10,041 RESISTANCE AT 118.20 TO 118.85 SUPPORT AT 116.37 TO 115.05





Feeder Cattle

THE CME FEEDER INDEX ON 12/11/2020 WAS 136.57 DOWN 9 CENTS FROM PREVIOUS DAY -

JANUARY 2021 FEEDER CATTLE FUTURES SETTLED ON DECEMBER 14, 2020 AT \$140.02

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NATIONAL FEEDER & STOCKER CATTLE SUMMARY – WEEK ENDING 12/11/2020

RECEIPTS:	AUCTIONS	DIRECT	VIDEO/INTERNET	TOTAL
THIS WEEK:	354,700	27,000	5,500	387,200
LAST WEEK:	278,600	34,500	60,000	373,100
YEAR AGO:	347,200	34,400	1,900	383,500

COMPARED TO LAST WEEK, STEERS AND HEIFERS SOLD UNEVEN, RANGING FROM MOSTLY 5.00 LOWER TO 5.00 HIGHER. MANY LIGHTWEIGHT STEER CALVES SUITABLE FOR SUMMER GRAZING WEIGHING 300-450 LBS ARE STILL SELLING NEAR OR ABOVE THE 2.00/LB LEVEL ARE SELLING WITH GOOD DEMAND. YEARLINGS ARE STILL IN DEMAND, BUT IN MANY CASES AT LOWER PRICES BUT BUYERS ARE STILL SEEKING BIG YEARLINGS THAT WILL SQUEEZE INTO THE APRIL HARVEST SLOT. THE LARGE VOLUME SALES THIS WEEK FROM OKLAHOMA THROUGH THE NORTHERN PLAINS HAD VERY LARGE OFFERINGS OF FEEDERS AS MANY ARE BRINGING CALVES TO TOWN BEFORE THE END OF THE YEAR AS RECEIPTS AT THESE LARGE VOLUME AUCTIONS SWELLED UP WITH SEVERAL SELLING FROM 6,000 HEAD TO OKLAHOMA CITY'S NEAR 17,000 HEAD ON MONDAY.

[HTTPS://WWW.AMS.USDA.GOV/MNREPORTS/SJ_LS850.TXT](https://www.ams.usda.gov/mnreports/sj_ls850.txt)

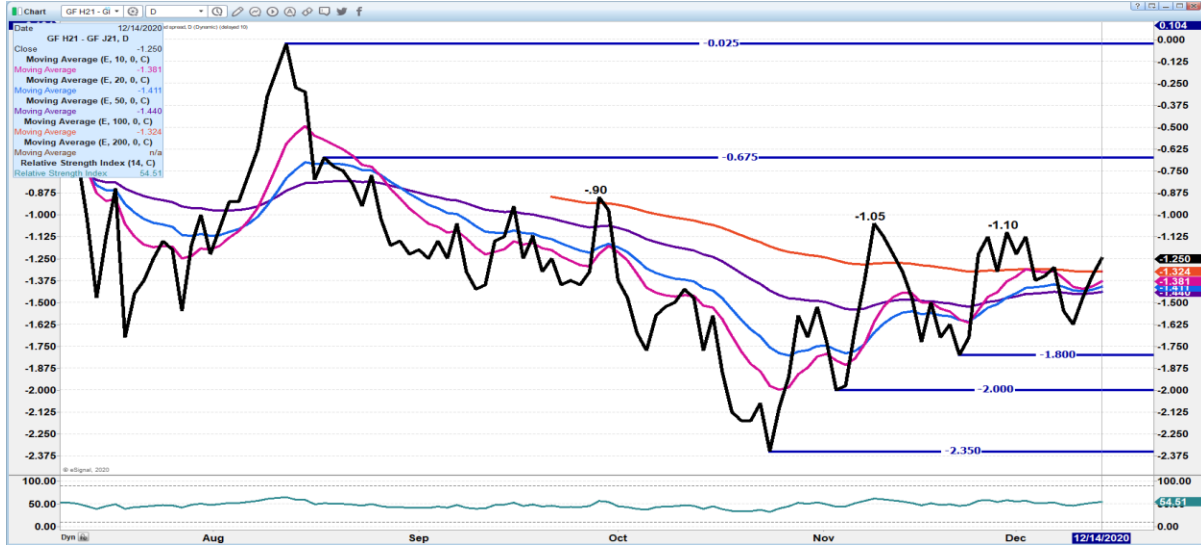
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IF FEEDERS CONTINUE TO DROP IT INDICATES PACKER FEEDLOTS AND FORMULA CONTRACT FEEDLOTS DON'T HAVE ADVANCE BEEF ORDERS. VERY LIKELY WITH NEGATIVE EXPORTS.

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MARCH 2021/APRIL 2021 FEEDER CATTLE SPREAD – SPREAD IS NARROW. NORMALLY FRIENDLY

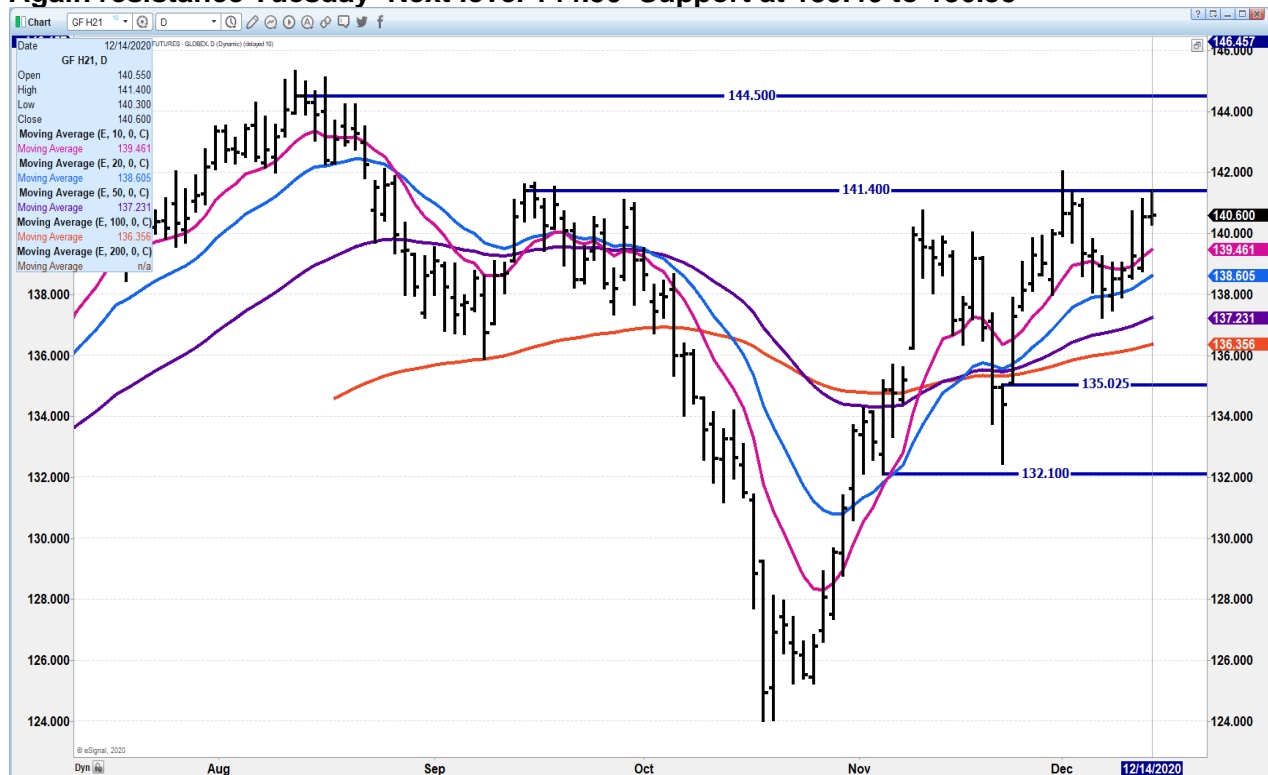


JANUARY 2021 FEEDER CATTLE – Resistance at 142.15 to 142.97 Support at 138.90 to 137.37 Volume only 4278





**MARCH 2021 FEEDER CATTLE - volume 3696 Met resistance on Monday at 141.40
Again resistance Tuesday Next level 144.50 Support at 139.40 to 136.55**



LEAN HOGS

USDA ESTIMATED FEDERAL HOG SLAUGHTER
DECEMBER 14, 2020 490,000
WEEK AGO 491,000
YEAR AGO 486,000

***REVISED SATURDAY HOG SLAUGHTER..300,000 PREVIOUS ESTIMATE 314,000**

NEW WEEK TO DATE..2,762,000 PREVIOUS ESTIMATE 2,776,000

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CME CASH HOG INDEX 12/10/2020 AT 65.35 DOWN 26 CENTS FROM PREVIOUS DAY

CME CASH PORK CUTOUT INDEX 12/11/2020 AT 78.42 DOWN 37 CENTS FROM PREVIOUS DAY

CME CASH FRESH BACON INDEX ON 12/11/2020 WAS 121.99 COMPARED TO 12/04/2020 WAS 126.66

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Pork carcass cut was down 2.68 Monday. Loins down 3.33 now at \$69.15 is not what hogs need. Loins have been the primal cut that have kept the cutout from rallying and breaking \$70 are almost like giving them away. But if they don't sell loins cheap, they won't get sold. Market needs China to come back into the market and buy carcasses instead of offal, heads and pigs feet. Hams and bellies were also down breaking below \$90 with butts and ribs both lower. Picnics were up but at \$61.04 they are cheap and are a small part of the carcass. Ribs, picnics and butts are what barbeque restaurants push and the restaurant industry is in trouble.

Pork is moving because it is cheap. Exports have done well in 2020 but have been dropping off each quarter of 2020. US total pork exports are up for pork sales 22 percent for the year with the last USDA report with 10 months of 2020 with pork combined with variety meats up 15%.

HOWEVER, pork is moving and for the year export sales are up due to China buying. But most of China's buying was in the first quarter of the year. For the 1st t quarter of 2020 China increased pork sales by 575% compared to 1st quarter of 2019. By the end of the 2nd quarter Chinese exports for 6 months were 377% and 3rd quarter or 9 months at 188% with October at 162%. China is definitely up on the year but throughout the year they have been steadily importing less and less.

USDA MARKET NEWS

Based on negotiated prices and volume of pork cuts delivered within 14 days and on average industry cutting yields.

Calculations for 215 lb Pork Carcass. 55-56% lean, 0.55"-0.70" BF Last Rib

NATIONAL DAILY PORK REPORT FOB PLANT - NEGOTIATED SALES DECEMBER 14, 2020

LOADS OF PORK CUTS: 265.82

LOADS TRIM/PROCESSED PORK: 35.73



FINAL

Date	Loafs	Carcass	Loin	Butt	Pic	Rib	Ham	Belly
12/14/2020	301.54	77.03	69.15	69.00	61.94	130.59	88.73	86.83
Change		-2.68	-3.33	-0.23	1.17	-0.94	-3.80	-5.53
Five Day Average --		78.18	69.99	68.91	61.46	132.04	90.13	89.76

FINAL PREVIOUS WEEK'S CLOSE

Date	Loafs	Carcass	Loin	Butt	Pic	Rib	Ham	Belly
12/11/2020	407.09	79.71	72.48	69.23	60.77	131.53	92.53	92.36

**NATIONAL DAILY DIRECT HOG PRIOR DAY REPORT - SLAUGHTERED SWINE
SLAUGHTER DATA FOR DECEMBER 11 AND 12, 2020**

DUE TO PACKER SUBMISSION PROBLEMS, THE RELEASE OF THIS REPORT WILL BE DELAYED

Average live weight -

Average carcass -

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**DAILY DIRECT HOGS PLANT DELIVERED AS OF 1:30 PM DECEMBER 9, 2020
NATIONAL NEGOTIATED PURCHASE BASE CARCASS PRICES**

Carcass Base Price: \$47.00 - \$56.50

Weighted Average: \$53.55

Change from Prior Day: 0.77 lower

HOGS SOLD 7,239

SWINE OR PORK MARKET FORMULA PURCHASE (Including Packer Sold)

PRICE RANGE: \$52.99 - \$75.72

Weighted Average: \$64.27

Previous Day: \$63.44

HOGS SOLD: 226,024

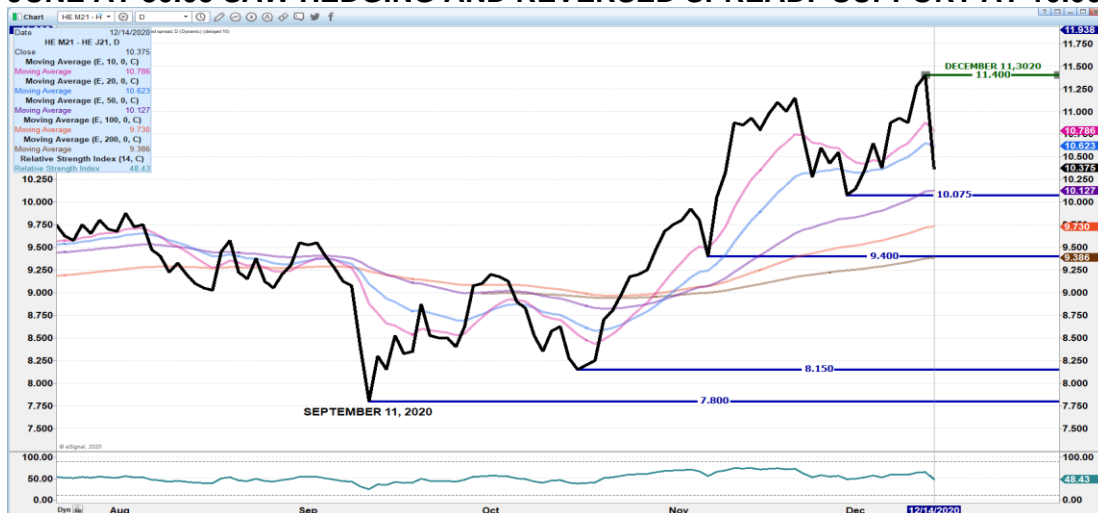
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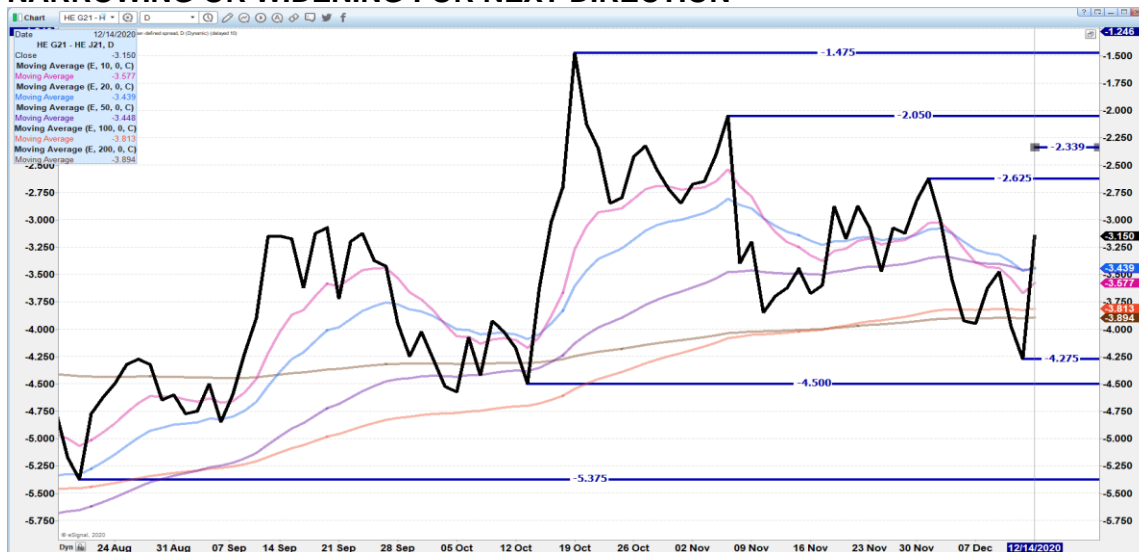
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JUNE/APRIL LEAN HOG SPREAD – BIG CORRECTION MONDAY BUT REMAINS WIDE. JUNE AT 80.05 SAW HEDGING AND REVERSED SPREAD. SUPPORT AT 10.00



FEBRUARY/APRIL 2021 LEAN HOG SPREAD – NORMAL AT THIS TIME WATCH FOR NARROWING OR WIDENING FOR NEXT DIRECTION



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FEBRUARY 2021 LEAN HOGS – DUMPED EARLY TO REVERSE TO RESISTANCE AT 10 AND 100 DAY MOVING AVERAGES. RESISTANCE AT 65.97 TO 66.37 A CLOSE ABOVE 66.87 FRIENDLY SUPPORT AT 62.87



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