



Morning July 15, 2020 Livestock Report

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CATTLE

USDA FEDERAL SLAUGHTER

JULY 14, 2020	119,000
WEEK AGO	119,000
YEAR AGO	122,000
WEEK TO DATE (EST)	234,000
SAME PERIOD LAST WEEK (EST)	234,000
SAME PERIOD LAST YEAR (ACT)	242,000

Revised Monday Cattle Slaughter..115,000 Previous estimate 118,000

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	CHOICE	SELECT
BOXED BEEF FINAL	200.92	190.85
CHANGE FROM PRIOR DAY	(2.34)	(1.03)
CHOICE/SELECT SPREAD:		10.07
TOTAL LOAD COUNT		147
5 DAY SIMPLE AVERAGE:	204.10	194.67

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FINAL JULY 14, 2020	CHOICE	SELECT
Primal Rib	326.68	306.93
Primal Chuck	164.11	158.42
Primal Round	165.19	165.28
Primal Loin	269.77	240.26
Primal Brisket	160.37	161.82
Primal Short Plate	126.25	126.25
Primal Flank	117.80	119.22

FINAL JULY 13, 2020	CHOICE	SELECT
Primal Rib	330.62	308.90
Primal Chuck	168.14	158.01
Primal Round	165.97	165.09
Primal Loin	272.36	245.27
Primal Brisket	159.64	163.82
Primal Short Plate	125.76	125.76
Primal Flank	119.07	114.45

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LOAD COUNT AND CUTOFF VALUE SUMMARY FOR PRIOR 5 DAYS

Date	Choice	Select	Trim	Grinds	Total	CHOICE 600-900	SELECT 600-900
07/13	61	32	14	11	119	203.26	191.88
07/10	45	23	8	17	93	204.50	194.29
07/09	76	33	31	23	163	203.59	194.83
07/08	94	37	22	24	178	203.83	195.52
07/07	69	20	9	26	124	205.30	196.84
07/06	92	25	21	32	169	205.46	196.97

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	69.36 loads	2,774,225 pounds
Select Cuts	35.10 loads	1,404,146 pounds
Trimmings	14.62 loads	584,964 pounds
Ground Beef	28.32 loads	1,132,884 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)

JULY 2020 LIVESTOCK REPORTS
COLD STORAGE REPORT – WEDNESDAY, JULY 22, 2020 2:00PM US CENTRAL TIME
CATTLE ON FEED REPORT – FRIDAY, JULY 24, 2020 2:00PM US CENTRAL TIME

If Tuesday's boxed beef trade continues to move lower and Choice breaks \$200, will packers continue to even pay current prices? It isn't likely when load movement sees increasing sales of trimmings and ground beef. Choice beef is now down to \$200.92 and Select is down to \$190.85. Choice primal rib sections were down \$3.94 from Monday and maybe more concerning is the drop in primal Chuck and Round sections. Choice chucks were down \$4.03 with Select Chucks were higher. Choice round sections were priced below Select rounds. Consumers aren't just buying ground and processed beef, Tuesday's morning sales indicated that consumers want what is the least expensive even when it comes to grade. When a store sells ground beef from Chucks and 90% lean to 10% fat, it's likely a mix of Choice and Select combined with lower grades unless the grade is noted. Lower Choice beef prices also indicate the US beef market with 80% Choice cattle and lately overfed and overweight cattle is competing with itself as well as imports with leaner and cheaper beef.



Need to monitor cattle and hog slaughter. Tuesday was the third day cattle and hog slaughter has been revised down which is reminiscent of what happened late March and April as the meat packing industry became hot spots. COVID 19 is increasing in Texas, Oklahoma, Iowa, Minnesota and Montana.

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 The Fed Cattle Exchange has 1,224 cattle listed for 10:00AM Internet sale.
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USDA POSTED CATTLE PRICES ON 7/14/2020
 IA/MN –CASH 99.00 - 100.00 DRESSED; 157.00 - 160.00
 NE - CASH – N/A DRESSED N/A
 KS – CASH - 95.00 - 96.25 DRESSED: N/A
 TX/OK/NM – CASH: 95.00
 COLORADO – CASH 153 HEAD AT 95.00

National Daily Direct Cattle July 14, 2020
 (5 day accumulated weighted avg)

	Weight	Price	Head
Live Steer:	1440	\$96.11	40,344
Live Heifer:	1290	\$95.52	21,696
Dressed Steer:	914	\$157.25	21,187
Dressed Heifer:	842	\$157.22	4,735

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As of July 14th Dressed weights were 875.4 compared to previous week at 874.1. Grading percent was 82.7% compared to previous week at 82.4%. Even with high temperatures through Midwest cattle weights are increasing.

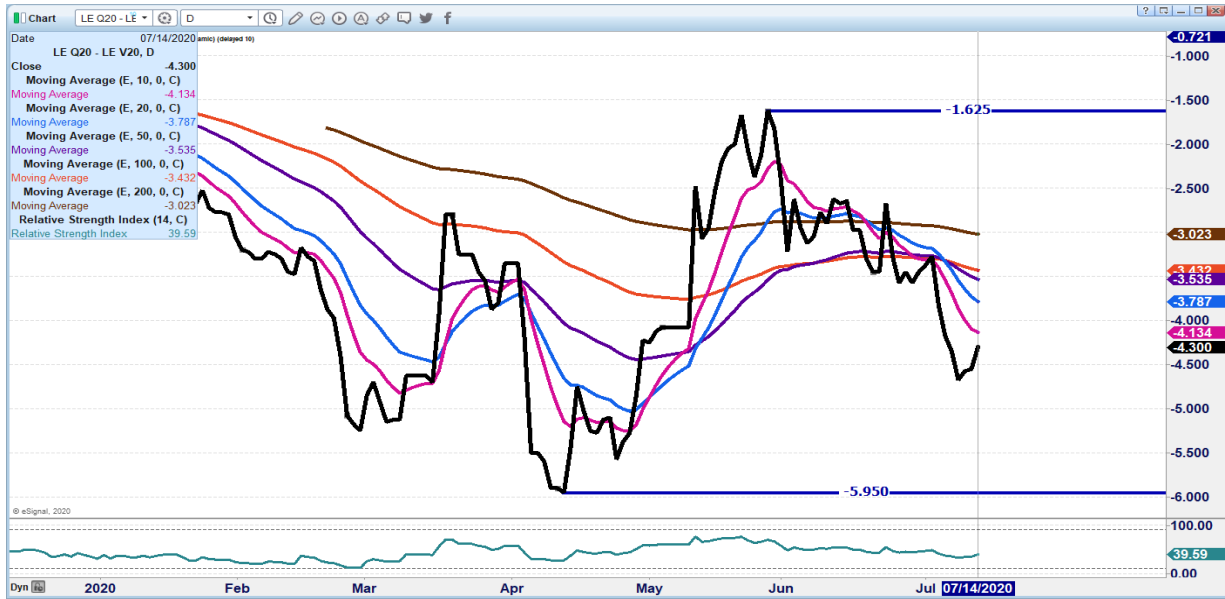
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CHARTS ARE UPDATED ON MORNING REPORTS –

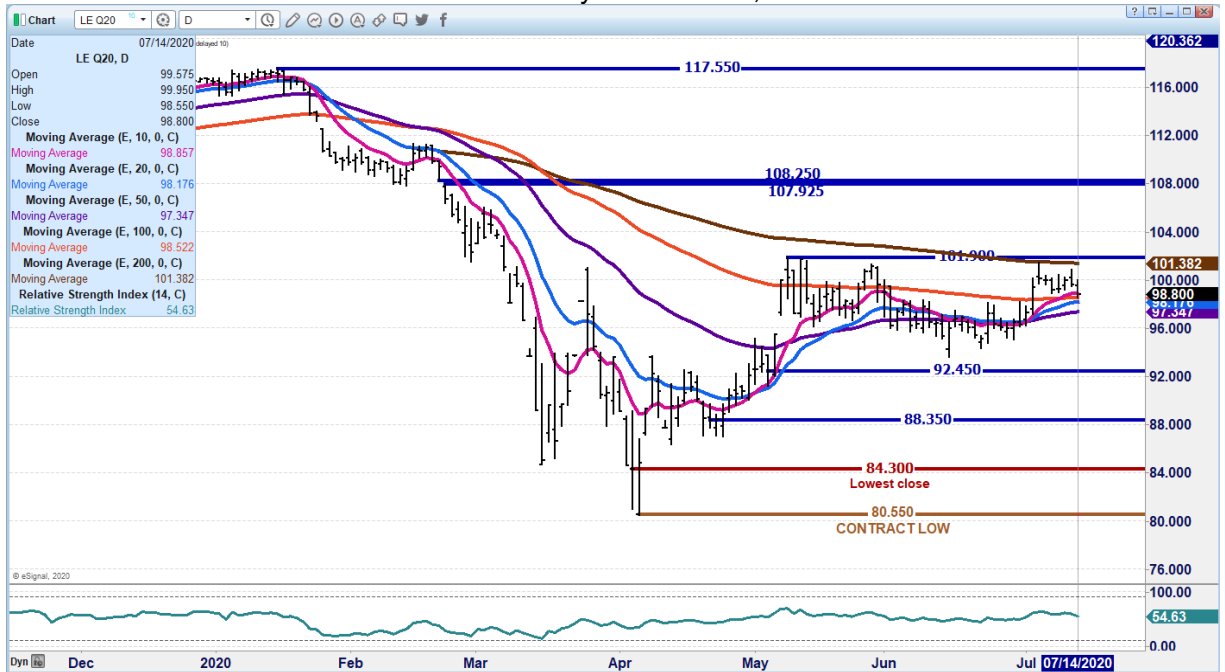
AUGUST 2020 LIVE CATTLE/OCTOBER 2020 LIVE CATTLE - Normal spread around \$3.00



Daily Futures Market Commentary

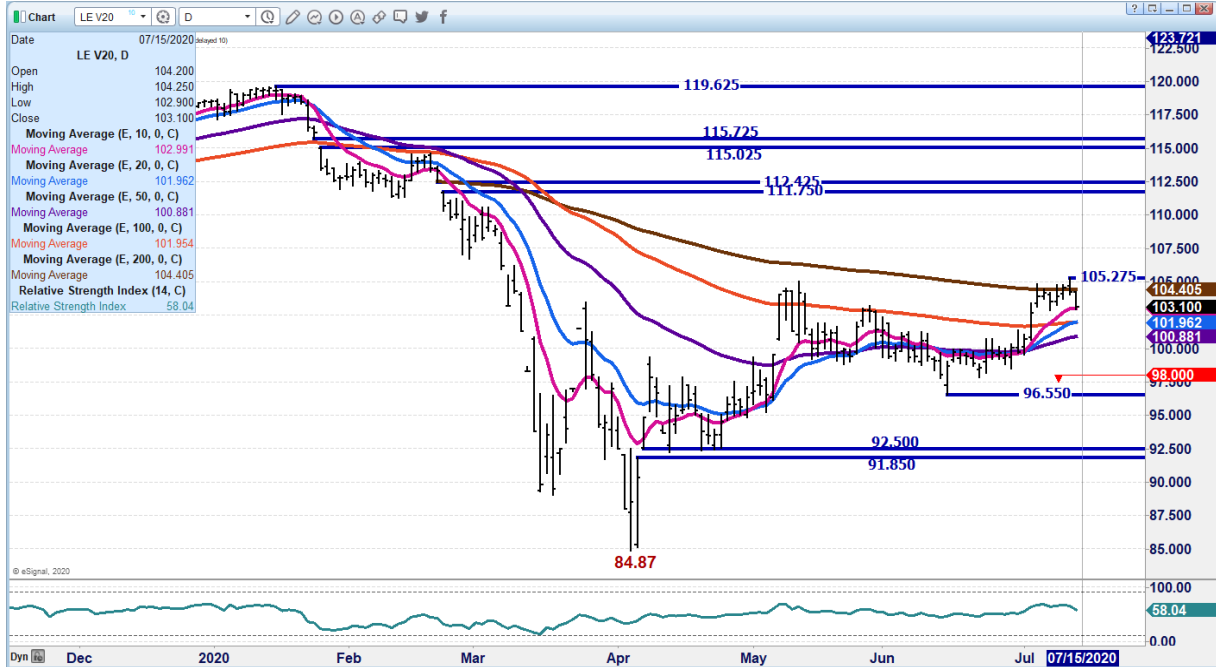


AUGUST 2020 LIVE CATTLE – Fell to first level of support on Tuesday Next support 97.30
Resistance is 101.40 to 101.90 Volume fairly active at 33,979 contracts

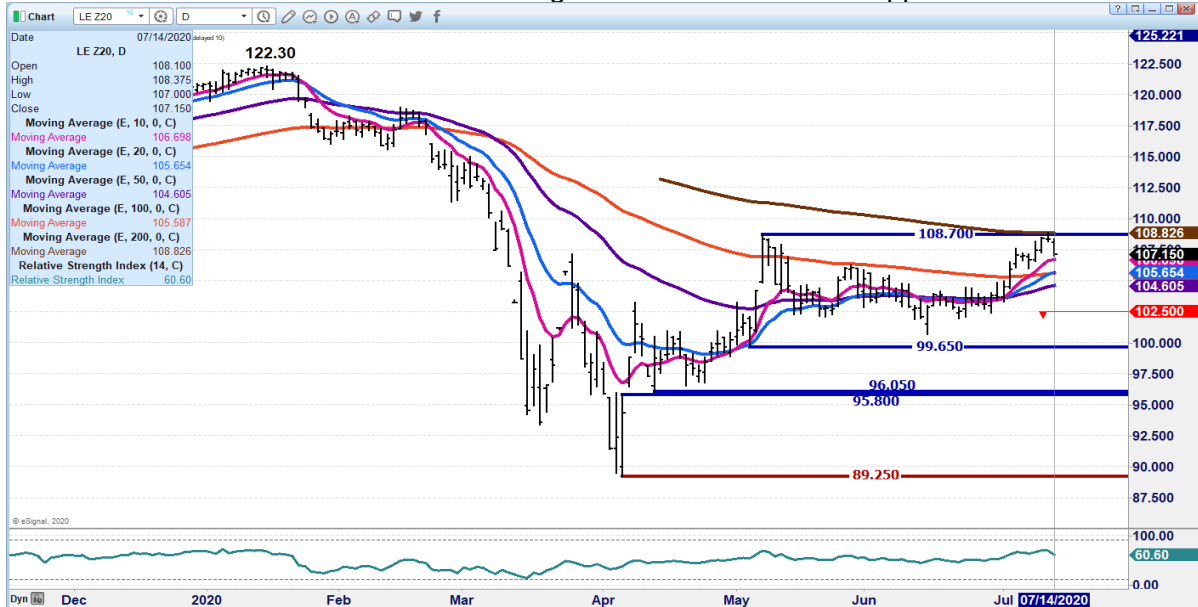




OCTOBER 2020 LIVE CATTLE – !0 day average first support and Tuesday’s low. Next support 100.85 to 98.00 Resistance is 104.40 to 105.57 Volume was 29,733



DECEMBER 2020 LIVE CATTLE – Strong resistance is 108.82 Support is 105.70 to 102.50



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Feeder Cattle

THE CME FEEDER INDEX ON 07/13/2020 IS 135.62 UP 45 CENTS FROM PREVIOUS DAY

AUGUST 2020 FEEDER CATTLE SETTLED AT 136.72 ON JULY 14, 2020.

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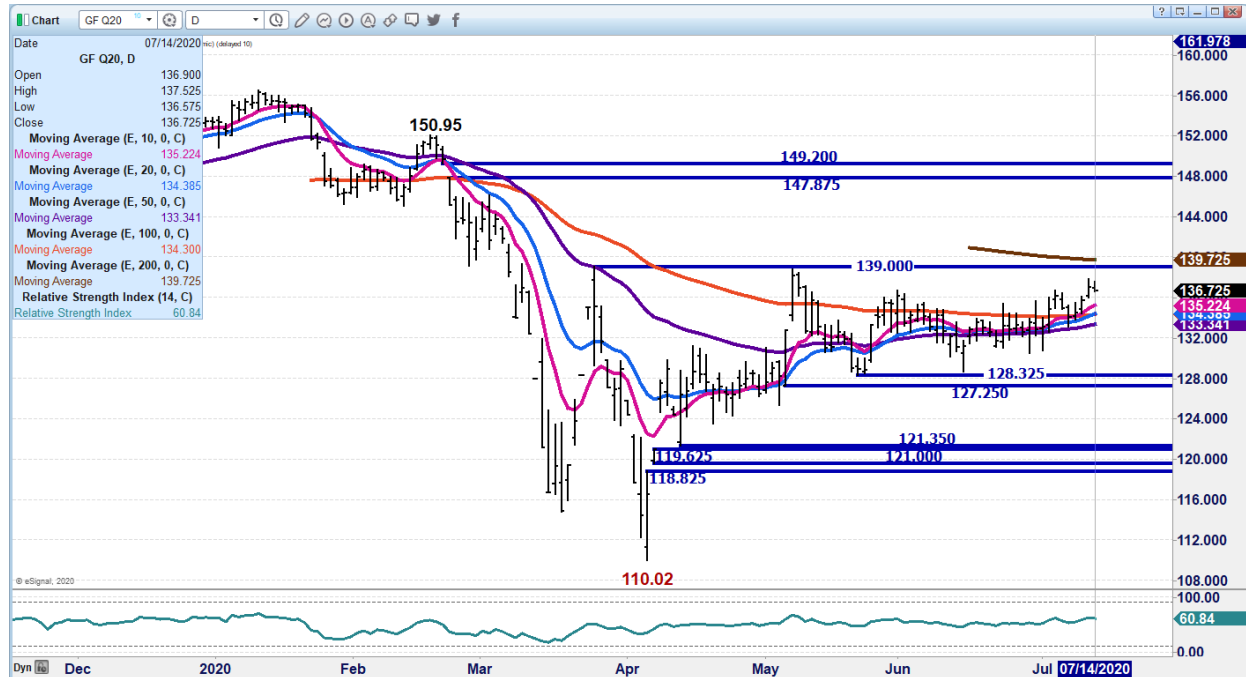
LIVESTOCK WEIGHTED AVERAGE REPORT FOR 7/13/2020 OKLAHOMA CITY STOCKYARDS

	THIS WEEK	LAST WEEK	LAST YEAR
TOTAL RECEIPTS:	8,000	4,446	7,938

COMPARED TO LAST WEEK: FEEDER STEERS STEADY TO 5.00 HIGHER, LARGEST ADVANCE UNDER 850 LBS. STEER CALVES STEADY TO 3.00 HIGHER, 5 WEIGHTS UP TO 8.00 HIGHER. FEEDER HEIFERS AND HEIFER CALVES 2.00-5.00 HIGHER. DEMAND VERY GOOD FOR ALL CLASSES

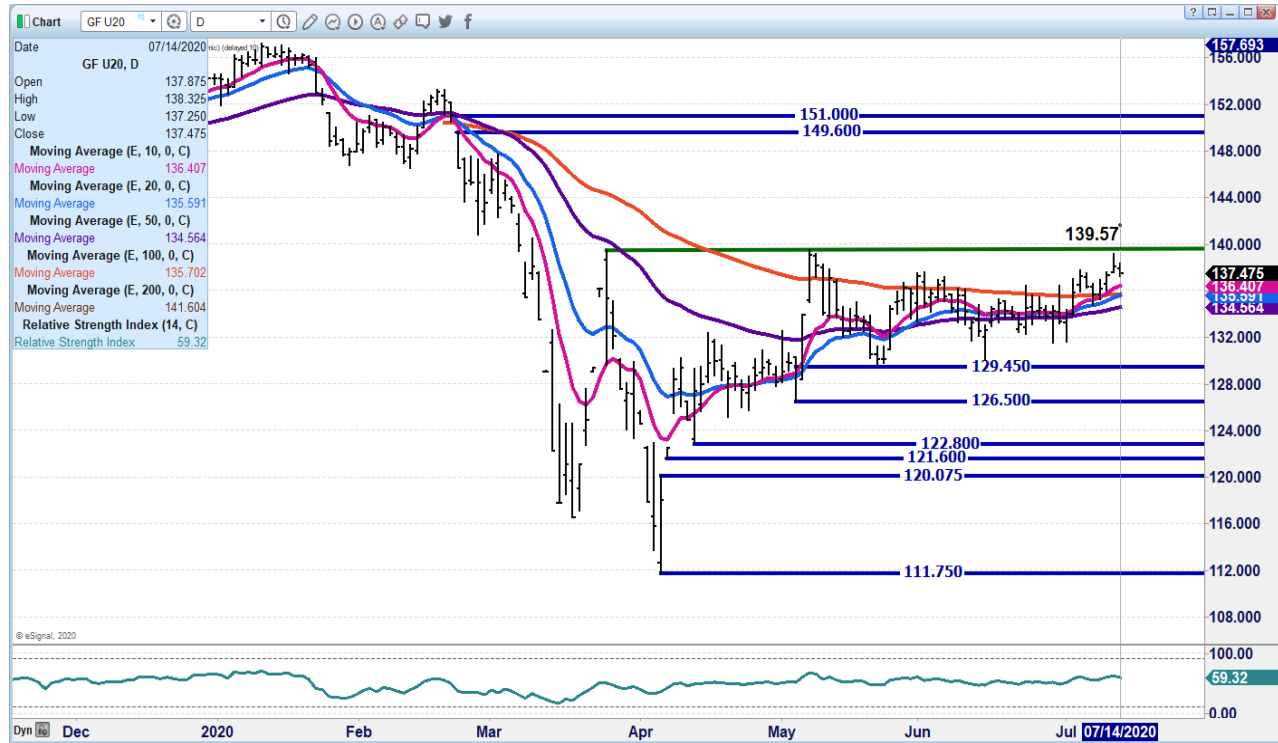
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AUGUST 2020 FEEDER CATTLE – RESISTANCE IS 139.72 SUPPORT AT 133.35





SEPTEMBER 2020 FEEDER CATTLE - SUPPORT AT 136.40 RESISTANCE 139.57



LEAN HOGS

USDA ESTIMATED FEDERAL HOG SLAUGHTER

JULY 14, 2020	475,000
WEEK AGO	469,000
YEAR AGO	473,000
WEEK TO DATE (EST)	923,000
SAME PERIOD LAST WEEK (EST)	921,000
SAME PERIOD LAST YEAR (ACT)	884,000

****REVISED MONDAY HOG SLAUGHTER.. 448,000** PREVIOUS ESTIMATE 454,000**

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CME CASH HOG INDEX 07/10/2020 AT 45.62 UP 29 CENTS FROM PREVIOUS DAY.



CME CASH PORK CUTOUT INDEX 07/13/2020 AT 66.38 UP 66 CENTS FROM PREVIOUS DAY. CME CASH FRESH BACON INDEX ON 07/09/2020 WAS 123.87 COMPARED TO 07/02/2020 WAS 119.89.

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 Correction - JULY 2020 LEAN HOGS LAST TRADING DAY IS JULY 15, 2020. Not today, Tuesday, July 14, 2020 as previously reported.

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 Pork movement Tuesday was moderately strong with the carcass down. Loins gained 1.88 in the morning but ended the day down 1.29 but hams lost 5.54. Bellies were up 97. It was ribs up 5.00 that kept the cutout from falling harder.

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 China the first half of the year has booked in excess pork exports and has filled storage. Prices for hogs have been dropping in China. It is likely China has secured the storage they wanted to build since plans went into effect early 2019. The Chinese ag minister has said several times they will support the Brazilian cattle and hog markets. Why wouldn't they support it? They have been big investors into the livestock industry and infrastructure in Brazil.

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JULY 14, 2020 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 FINAL

LOADS OF PORK CUTS: 434.10
 LOADS TRIM/PROCESSED PORK : 32.63

Date	Loads	Carcass	Loin	Butt	Pic	Rib	Ham	Belly
07/14/2020	466.72	66.24	64.46	72.26	43.45	116.88	52.66	100.54
CHANGE :		-1.28	-1.29	-2.02	-1.17	5.00	-5.54	0.97
Five Day Average --		67.40	65.62	73.20	41.38	119.16	56.08	101.43

NATIONAL DAILY DIRECT HOG PRIOR DAY REPORT - SLAUGHTERED SWINE
 Slaughter Data for JULY 13, 2020

Average carcass weight - 280.57
 Average live weight - 211.27

https://www.ams.usda.gov/mnreports/ams_2511.pdf



**DAILY DIRECT HOGS PLANT DELIVERED AS OF 1:30 PM JULY 14, 2020
NATIONAL NEGOTIATED PURCHASE BASE CARCASS PRICES**

Carcass Base Price: \$29.00 - \$35.00
Weighted Average: \$31.08
Change from Prior Day: 0.63 higher
HOGS SOLD: 9,356

SWINE OR PORK MARKET FORMULA PURCHASE (Including Packer Sold)

PRICE RANGE: \$29.22 - \$64.52
Weighted Average 46.44 PREVIOUS DAY \$46.03
HOGS SOLD: 136,827

NATIONAL NEGOTIATED LIVE HOG PURCHASE PRICE

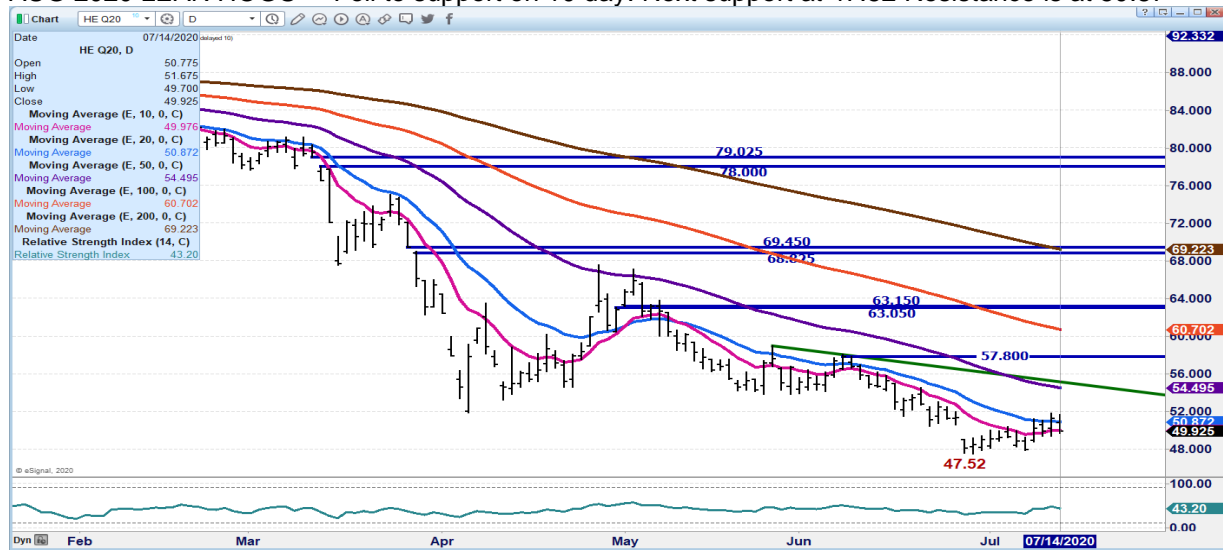
PRICE RANGE: \$19.50 - \$26.10
Weighted Average: \$25.62
Change from Prior Day: 1.36 lower
Hogs sold: 455

https://www.ams.usda.gov/mnreports/lm_hg203.txt

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**JULY 2020 LEAN HOGS – JULY 2020 LEAN HOGS LAST TRADING DAY IS JULY 15, 2020.
Not Tuesday, July 14, 2020 as previously reported**
Open interest is 9472 contracts 44.50 has so far been contract low.

AUG 2020 LEAN HOGS – Fell to support on 10 day. Next support at 47.52 Resistance is at 50.87



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DECEMBER 2020 LEAN HOGS – Resistance at 51.87 Support are contract lows



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