



Morning July 20, 2020 Livestock Report

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CATTLE

USDA FEDERAL SLAUGHTER

JULY 17, 2020	115,000	
WEEK AGO	116,000	
YEAR AGO	121,000	
SATURDAY 07/18/2020	65,000	- A WEEK AGO 67,000, YEAR AGO 49,000
WEEK TO DATE (EST)	650,000	
SAME PERIOD LAST WEEK (EST)	657,000	
SAME PERIOD LAST YEAR (ACT)	655,000	
2020 YEAR TO DATE	17,148,000	
2019 *YEAR TO DATE	18,158,000	
PERCENT CHANGE YEAR TO DATE	MINUS 5.6%	A WEEK AGO MINUS 5.6%,

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	CHOICE	SELECT
BOXED BEEF FINAL	200.47	190.31
CHANGE FROM PRIOR DAY	(0.33)	(0.99)
CHOICE/SELECT SPREAD:		10.16
TOTAL LOAD COUNT		144
5 DAY SIMPLE AVERAGE:	202.05	191.94

PREVIOUS WEEK JULY 10, 2020

	CHOICE	SELECT
BOXED BEEF FINAL	204.50	194.29

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FINAL JULY 17, 2020	CHOICE	SELECT
Primal Rib	326.48	297.74
Primal Chuck	161.77	156.30
Primal Round	165.68	165.18
Primal Loin	269.53	247.20
Primal Brisket	160.06	155.04
Primal Short Plate	129.93	129.93
Primal Flank	116.55	111.92



PREVIOUS WEEK

FINAL JULY 10, 2020	CHOICE	SELECT
Primal Rib	328.89	314.31
Primal Chuck	168.63	158.30
Primal Round	167.64	166.69
Primal Loin	275.43	253.16
Primal Brisket	162.93	155.01
Primal Short Plate	127.36	127.36
Primal Flank	118.69	114.15

LOAD COUNT AND CUTOUT VALUE SUMMARY FOR PRIOR 5 DAYS

Date	Choice	Select	Trim	Grinds	Total	CHOICE 600-900	SELECT 600-900
07/16	103	28	12	30	172	200.80	191.30
07/15	89	35	10	17	151	200.76	191.37
07/14	69	35	15	28	147	200.92	190.85
07/13	61	32	14	11	119	203.26	191.88
07/10	45	23	8	17	93	204.50	194.29

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	72.46 loads 2,898,284 pounds
Select Cuts	18.85 loads 754,066 pounds
Trimming	41.55 loads 1,661,982 pounds
Ground Beef	11.17 loads 446,791 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

Last week Boxed Beef compared to the previous week was down \$4.03 on Choice and Select was down \$3.98. Compared to the previous week slaughter was down 7000 head and compared to the same week a year ago slaughter was down 5000 head.



If heat over next week doesn't move weights lower, then the back up of cattle is still around. Across southwest and Midwest many areas have temperatures in high 90's with indexes above 100 and the next 3 to 4 days are going to be higher heat indexes.

Friday's futures trading was low volume. Cash markets were over for the most part Thursday.

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US packers are having more people test positive over past two weeks at packers that are actually doing the testing. Need to monitor slaughter. For the week down 4000 cattle compared to a week ago and 16,000 compared to same time a year ago.

Brazil and Argentina have plants that China has stopped taking exports. Both countries will need to sell beef and pork to other countries.

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USDA POSTED CATTLE PRICES ON 7/17/2020
 IA/MN –CASH 98.00 - 100.00 DRESSED; 157.00 - 158.00
 NE - CASH – 98.00 DRESSED 157.00
 KS – CASH - 95.00 ON 322 HEAD DRESSED: 42 HEAD AT 157.00
 TX/OK/NM – CASH: NO USDA POSTED SALES FRIDAY
 COLORADO – CASH NO USDA POSTED SALES FRIDAY

National Daily Direct Cattle July 17, 2020
 (5 day accumulated weighted avg)

	Weight	Price	Head
Live Steer:	1431	\$96.29	39,869
Live Heifer:	1315	\$95.66	13,997
Dressed Steer:	924	\$157.15	7,852
Dressed Heifer:	828	\$156.75	2,145

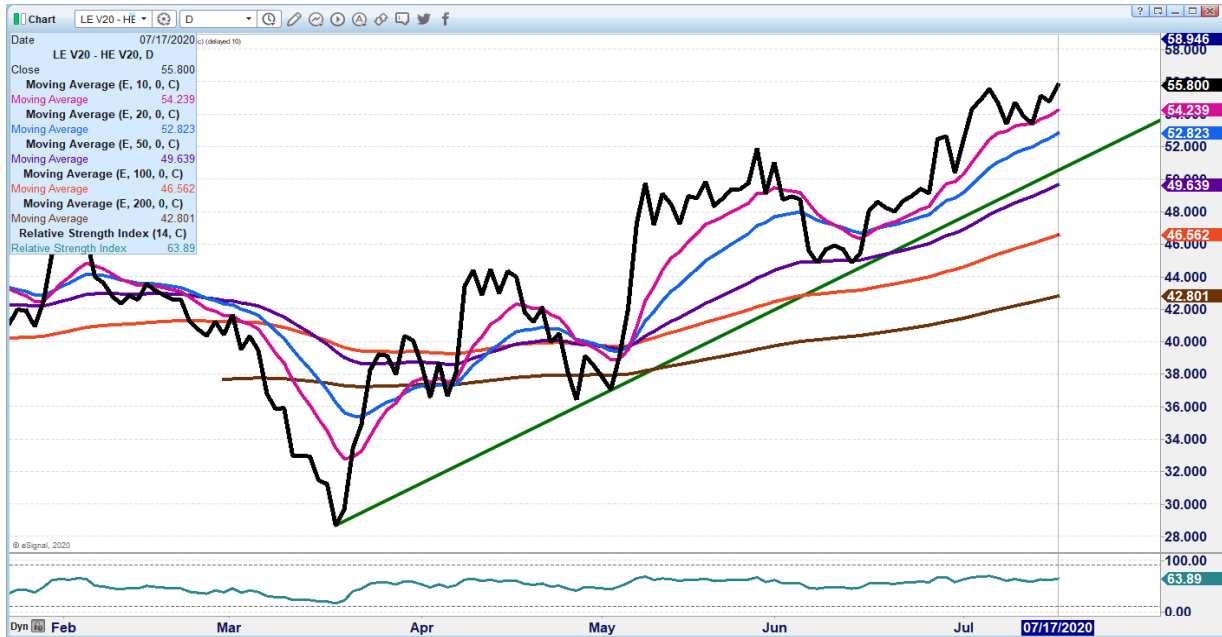
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As of July 14th Dressed weights were 875.4 compared to previous week at 874.1 and 34 pounds above 2019 at this time. Grading percent was 82.7% compared to previous week at 82.4%.

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CHARTS ARE UPDATED ON MORNING REPORTS –

OCTOBER 2020 LIVE CATTLE/OCTOBER 2020 LEAN HOGS – Cattle continuing to gain on hogs. Beef prices coming down while pork has moved up. Spread could be topy but at this time should stay with the trend.



AUGUST 2020 LIVE CATTLE/OCTOBER 2020 LIVE CATTLE - Spread began to widen out. There is no active hedge selling.



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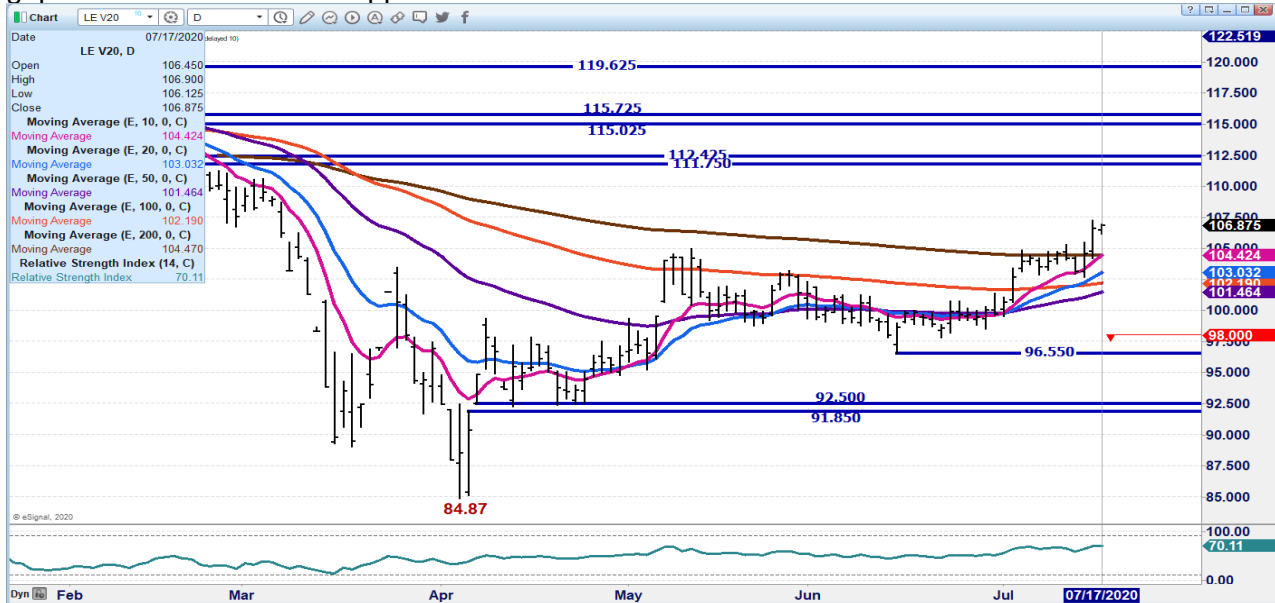
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AUGUST 2020 LIVE CATTLE – At March 5th level. A close over Friday and Thursday high puts resistance at gap at 107.92 to 108.25



OCTOBER 2020 LIVE CATTLE – Last time at March 5th high. Next resistance at 110.50 to 111.75 Support at 105.05 to 101.45



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Feeder Cattle

THE CME FEEDER INDEX ON 07/16/2020 IS 136.61 UP 74 CENTS FROM PREVIOUS DAY -
AUGUST 2020 FEEDER CATTLE SETTLED AT 142.70 ON JULY 17, 2020.

NATIONAL FEEDER & STOCKER CATTLE SUMMARY – WEEK ENDING 07/17/2020

RECEIPTS:	AUCTIONS	DIRECT	VIDEO/INTERNET	TOTAL
THIS WEEK:	149,100	96,100	325,400	570,600
LAST WEEK:	134,500	73,000	NA	207,500
YEAR AGO:	149,400	59,200	217,200	425,800

COMPARED TO LAST WEEK, STEERS AND HEIFERS SOLD UNEVEN; SOUTH CENTRAL STATES FROM 3.00 TO 4.00 HIGHER WHILE THE SOUTHEAST AND NORTH CENTRAL WERE 3.00 LOWER TO 1.00 HIGHER. THERE WAS A BIG INCREASE IN NORTH CENTRAL PRICES LAST WEEK DUE TO SOME ANNUAL SPECIALS THAT BRING HIGH QUALITY REPUTATION ONE-IRON BRAND STRINGS OF CATTLE TO TOWN. PASTURE AND RANGE CONDITIONS ARE COMING TO THE FOREFRONT AS THE NATION TRIES TO GET THROUGH THE “DOG-DAYS OF SUMMER”. FOR THE FIRST TIME THIS YEAR, OVER 50 PERCENT OF THE COUNTRY IS IN SOME SORT OF DROUGHT DESIGNATION; THE LAST TIME THAT HAS OCCURRED WAS WEEK ENDING SEPTEMBER 18, 2018 WHEN THE COUNTRY WAS COMING OFF A HISTORICAL DROUGHT.

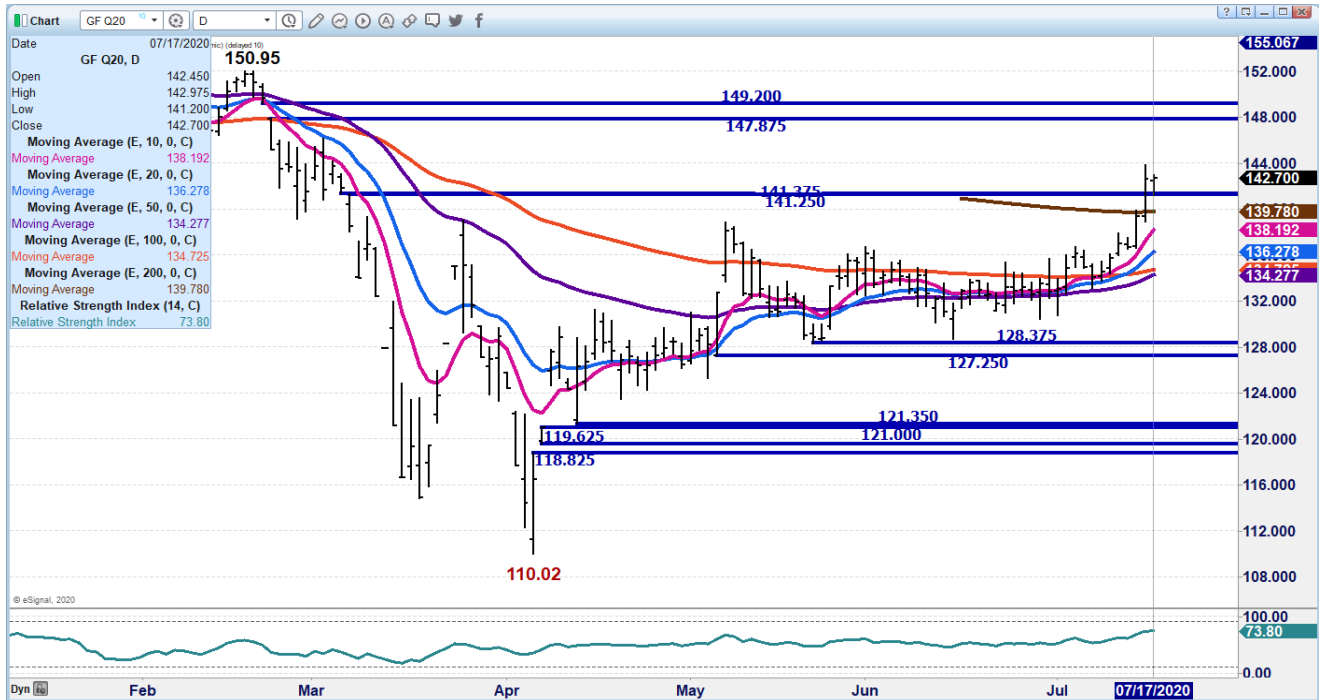
[HTTPS://WWW.AMS.USDA.GOV/MNREPORTS/SJ_LS850.TXT](https://www.ams.usda.gov/mnreports/sj_ls850.txt)

CME FEEDER CATTLE INDEX IS \$6.09 UNDER AUGUST FUTURES. NORMALLY, A WIDE BASIS WITH FUTURES OVER CASH SUGGESTS SELLING FUTURES.

AUGUST 2020 FEEDER CATTLE – FILLED GAP AT PUTTING NEXT REISTANCE AT 147.87 SUPPORT AT 139.77 TO 138.17



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SEPTEMBER 2020 FEEDER - VOLUME RESISTANCE AT 149.60 SUPPORT AT 138.90



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LEAN HOGS

USDA ESTIMATED FEDERAL HOG SLAUGHTER

JULY 17, 2020	462,000	
WEEK AGO	460,000	
YEAR AGO	452,000	
SATURDAY 07/18/2020	195,000-	A WEEK AGO 276,000 - YEAR AGO 17,000
WEEK TO DATE (EST)	2,518,000	
SAME PERIOD LAST WEEK (EST)	2,593,000	
SAME PERIOD LAST YEAR (ACT)	2,290,000	
2020 YEAR TO DATE	69,436,000	
2019 *YEAR TO DATE	69,233,000	
PERCENT CHANGE YEAR TO DATE	.3%	COMPARED TO A WEEK AGO 0% .

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CME CASH HOG INDEX 07/15/2020 AT 47.490 UP .39 FROM PREVIOUS DAY.
 CME CASH PORK CUTOUT INDEX 07/16/2020 AT 67.67 UP 4 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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For the week, the pork carcass cutout was up \$3.00. Loins improved by \$4.89 and hams were up \$7.67. Butts, ribs and bellies were lower and picnics were higher.

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Slaughter down from a week ago by 75,000 head. There are packers slowing down as more employees testing positive with coronavirus. Brazil has COVID 19 slowing plants. It is likely could see pork prices improve with less global meat, and hog prices drop if packers can't kill available inventory.

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Exports were strong with Mexico the biggest buyer which is not a surprise with hams and fresh bellies moving up. Mexico has for years been one of the best buyers of hams and bellies where they are trimmed out. China is buying but far from the large loads it took the first quarter.

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JULY 17, 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: 384.59
LOADS TRIM/PROCESSED PORK : 39.08

Date	Loads	Carcass	Loin	Butt	Pic	Rib	Ham	Belly
07/17/2020	423.68	71.25	71.25	68.01	48.57	116.56	68.59	97.60
CHANGE :		3.84	4.10	-1.49	10.07	7.67	6.37	0.21
Five Day Average --		68.25	66.25	70.94	44.22	113.50	61.40	99.48

PREVIOUS WEEK JULY 10, 2020
07/10/2020 334.01 68.95 66.36 74.12 43.40 118.47 60.92 100.53

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NATIONAL DAILY DIRECT HOG PRIOR DAY REPORT - SLAUGHTERED SWINE
Slaughter Data for JULY 16, 2020

Average carcass weight - 281.55
Average live weight - 211.90

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

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DAILY DIRECT HOGS PLANT DELIVERED AS OF 1:30 PM JULY 17, 2020
NATIONAL NEGOTIATED PURCHASE BASE CARCASS PRICES
Carcass Base Price: \$29.75 - \$33.00,
Weighted Average: \$31.55
Change from Prior Day: 0.12 higher
HOGS SOLD: 7,299

SWINE OR PORK MARKET FORMULA PURCHASE (Including Packer Sold)
PRICE RANGE: \$29.96 - \$63.46
Weighted Average \$46.15 PREVIOUS DAY \$47.27
HOGS SOLD: 156,472

NATIONAL NEGOTIATED LIVE HOG PURCHASE PRICE
PRICE RANGE: \$23.50 - \$28.20
Weighted Average: \$26.86
Change from Prior Day: 0.79 lower
Hogs sold: 502

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

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AUG 2020 LEAN HOGS – Double top after strong Thurs. Resistance at 54.27 Support at 51.05



OCTOBER 2020 LEAN HOGS - 50 day resistance at 52.50 to 54.97 Support at 50.15 to 47.00



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DECEMBER 2020 LEAN HOGS – 50 day at 52.80 to 55.22 Support at 51.17



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