



## Morning September 10, 2020 Livestock Report

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### SEPTEMBER 2020 LIVESTOCK REPORTS

**COLD STORAGE REPORT – TUESDAY, SEPTEMBER 22, 2020 2:00PM US CENTRAL TIME**

**HOGS AND PIGS REORT – THURSDAY SEPTEMBER 24, 2020 2:00PM US CENTRAL TIME**

**CATTLE ON FEED REPORT – FRIDAY, SEPTEMBER 25, 2020 2:00PM US CENTRAL TIME**

## CATTLE

### USDA FEDERAL SLAUGHTER

SEPTEMBER 09, 2020	120,000
WEEK AGO,	117,000
YEAR AGO,	116,000
WEEK TO DATE (EST)	241,000
SAME PERIOD LAST WEEK (EST)	356,000
SAME PERIOD LAST YEAR (ACT)	351,000

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	CHOICE	SELECT
BOXED BEEF FINAL 9/09/2020	222.95	207.51
CHANGE FROM PRIOR DAY	(1.87)	(0.95)
CHOICE/SELECT SPREAD:		15.44
TOTAL LOAD COUNT		186
5 DAY SIMPLE AVERAGE:	226.77	211.77

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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 SEPTEMBER 09, 2020	CHOICE	SELECT
Primal Rib	373.32	337.12
Primal Chuck	172.60	169.06
Primal Round	173.88	174.55
Primal Loin	320.19	276.68
Primal Brisket	171.19	152.00
Primal Short Plate	141.29	141.29
Primal Flank	115.96	109.48



FINAL SEPTEMBER 08, 2020	CHOICE	SELECT
Primal Rib	378.32	340.35
Primal Chuck	175.01	169.90
Primal Round	174.16	177.51
Primal Loin	323.07	275.34
Primal Brisket	169.62	150.39
Primal Short Plate	141.79	141.79
Primal Flank	114.34	109.32

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LOAD COUNT AND CUTOUT VALUE SUMMARY FOR PRIOR 5 DAYS

Date	Choice	Select	Trim	Grinds	Total	CHOICE	SELECT
						600-900	600-900
09/08	73	28	5	24	130	224.82	208.46
09/04	62	9	12	25	108	225.85	209.30
09/03	90	25	9	23	148	227.24	212.50
09/02	53	19	26	16	114	227.58	213.82
09/01	61	20	26	17	124	228.34	214.75

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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	114.16 loads	4,566,335 pounds
Select Cuts	32.03 loads	1,281,285 pounds
Trimming	25.10 loads	1,003,802 pounds
Ground Beef	14.22 loads	568,712 pounds

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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)

USDA POSTED CATTLE PRICES ON 9/09/2020

IA/MN –CASH 100.50 - 101.00 DRESSED 160.00 - 161.00  
NE - CASH – 101.00 : DRESSED 160.00 - 161.00  
KS – CASH – 101.00 : NO DRESSED SALES  
TX/OK/NM – NO CASH SALES REPORTED  
CO – NO CASH SALES : NO DRESSED SALES \*\*



National Daily Direct Cattle SEPTEMBER 08, 2020  
(5 day accumulated weighted avg)

	Weight	Price	Head
Live Steer:	1462	\$102.97	30,948
Live Heifer:	1315	\$102.80	14,356
Dressed Steer:	951	\$163.04	15,180
Dressed Heifer:	852	\$162.93	4,758

Feedlots were active sellers in Iowa/Minnesota, Nebraska and Kansas on Wednesday. Midwest feedlots concerned about cattle getting too large started selling. Cattle/grain producers looking to start field work wanted to move cattle.

Beef movement was fairly large Wednesday on lower prices. Primal ribs, loins, chucks and rounds all lower. Select rounds are higher than Choice rounds. Choice briskets gained.

Wednesday, live cattle and feeder cattle traders were speculators controlling the movement. Specs are bear spreading cattle and bull spreading hogs along with buying hogs and selling cattle. Before delivery begins in October, specs move spot October near to where cash is trading. But for now, the ball is in their field. Reporters and analysts will find fundamentals to plug into movement of trading.

For the retail fundamental traders, seasonals point to sideways to lower prices into October. But with the profits packers are now making, they may be able to take a \$1.00 or \$2.00 off the cash markets this week with a short kill week but unless boxed beef dumps, next week packers will need cattle for a full week and a big Saturday kill.

Going into September and October consumer beef buying preferences probably won't change. High priced cuts are moving, and low end cuts are moving, beef is being sold. Plus, the heavier cattle aren't as negative at this time because demand is strong for ground beef and trimmings. A packer might as well have a carcass 25 pounds heavier. It takes as long to process a light carcass as one 25 pounds heavier and with ground beef and trimmings selling, it is OK to have the extra pounds. If cattle were lighter, it would help because of demand for low end cuts, but it doesn't seem to be hurting.

The spread between Choice and Select is wide. A wide spread is usually positive.



As of September 9<sup>TH</sup>, dressed weights were 888.9 compared to previous week at 885.3 up 3.6 from week ago and 27 pounds over a year ago. Grading percent was 82.6% compared to previous week at 82.9%.

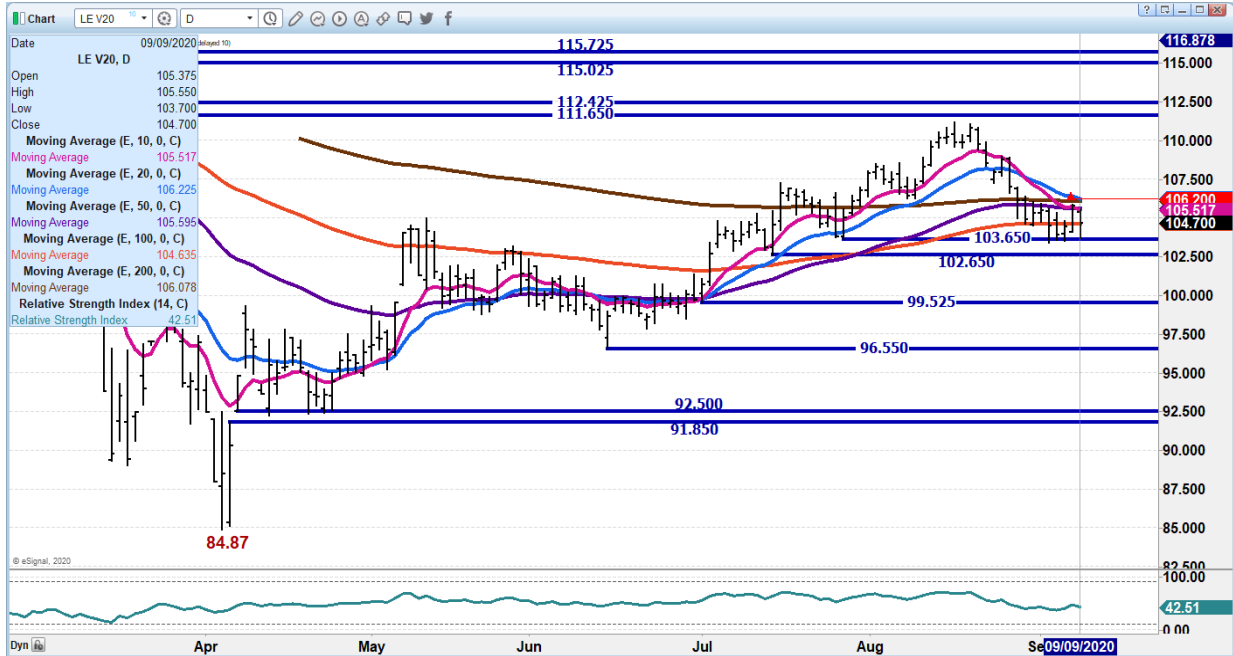
**OCT 2020/DEC 2020 LIVE CATTLE SPREAD - SPREADING WIDENING IS BEARISH**



OCTOBER 2020 LIVE CATTLE – Resistance 106.37 Support 103.65 to July 15<sup>th</sup> low at 102.65 down to July 1<sup>st</sup> low at 99.52



Daily Futures Market Commentary

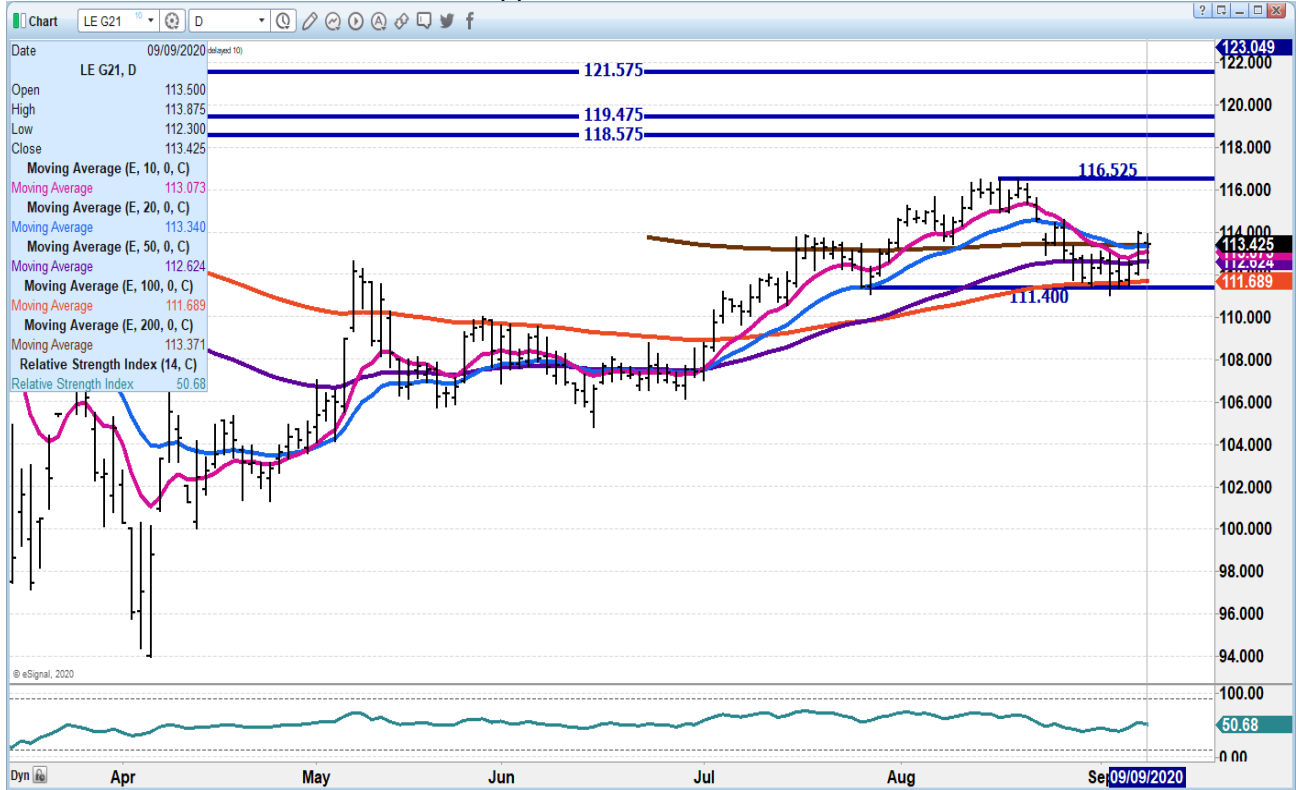


DECEMBER 2020 LIVE CATTLE – Support at 108.50 to 107.25 down to 103.32





**FEBRUARY 2021 LIVE CATTLE – Support 111.65 Resistance 114.00**



**Feeder Cattle**

THE CME FEEDER INDEX ON 09/08/2020 WAS 140.98 UP 7 CENTS FROM PREVIOUS DAY.

SEPTEMBER 2020 FEEDER CATTLE SETTLEMENT ON SEPTEMBER 09, 2020 WAS \$138.40

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**NATIONAL FEEDER & STOCKER CATTLE SUMMARY – WEEK ENDING 09/04/2020**

RECEIPTS:	Auctions	Direct	Video/Internet	Total
THIS WEEK:	160,800	27,900	5,200	193,900
LAST WEEK:	156,200	38,700	280,300	475,200



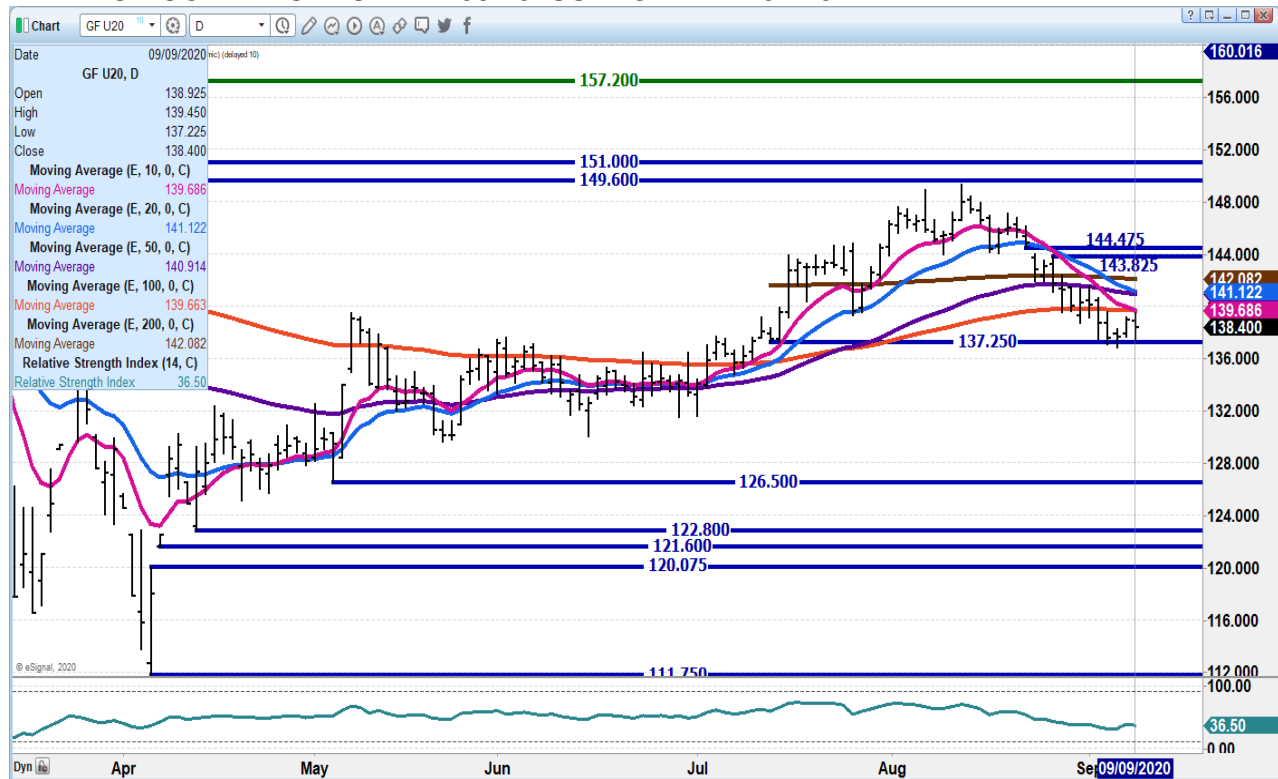
YEAR AGO: 106,800 58,100 14,700 179,600

COMPARED TO LAST WEEK, STEERS AND HEIFERS SOLD 1.00 TO 5.00 LOWER. THE CME CATTLE AGAIN THIS WEEK, WAS WEAKER AND HAS BEEN PULLING THE CASH PRICES FOR FEEDERS AND FED CATTLE LOWER, WITH THE MOST DRAWBACK ON THE FRONT MONTH CONTRACTS. AROUND THE LABOR DAY HOLIDAY, MANY AUCTIONS PROCEED TO HAVE CUSTOMER APPRECIATION SALES.

[HTTPS://WWW.AMS.USDA.GOV/MNREPORTS/SJ\\_LS850.TXT](https://www.ams.usda.gov/mnreports/sj_ls850.txt)

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**SEPTEMBER 2020 FEEDER CATTLE – RESISTANCE AT 10 AND 100 DAY MOVING AVERAGE CONVERGENCE AT 139.70 SUPPORT AT 137.25**



**NOVEMBER 2020 FEEDER CATTLE - RESISTANCE AT 140.97 TO 142.30 SUPPORT 137.90 TO 135.67**



## LEAN HOGS

### USDA ESTIMATED FEDERAL HOG SLAUGHTER – TUESDAY

SEPTEMBER 09, 2020	484,000
WEEK AGO	474,000
YEAR AGO	490,000
WEEK TO DATE (EST)	955,000
SAME PERIOD LAST WEEK (EST)	1,425,000
SAME PERIOD LAST YEAR (ACT)	1,469,000

\*\*REVISED TUESDAY HOG SLAUGHTER..465,000... PREVIOUS ESTIMATE 474,000

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CME CASH HOG INDEX 09/04/2020 AT 60.53 UP 1.89 FROM PREVIOUS DAY.

CME CASH PORK CUTOUT INDEX 09/08/2020 AT 77.77 UP 1.62 FROM PREVIOUS DAY.  
UP \$4.72 IN 2 DAYS





CME CASH FRESH BACON INDEX ON 09/04/2020 WAS 151.77 COMPARED TO 08/28/2020 WAS 141.51

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 Traders are expecting another strong export sales on Friday. Cutout on Wednesday doing its usual intra-day bounce with hams up 2.54 early and closing the day down 5.66. Pork loins are under pressure. Bull spreading continues and was majority of trade Wednesday.

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 Need to monitor weights. Falling weights show packers want hogs.

When packers are making over \$50.00/head, they want chains as full as possible.

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**SEPTEMBER 09, 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  
 SEPTEMBER 09, 2020**

LOADS OF PORK CUTS: 317.10  
 LOADS TRIM/PROCESSED PORK: 46.19

**FINAL 9/09/2020**

Date	Loads	Carcass	Loin	Butt	Pic	Rib	Ham	Belly
09/09/2020	363.29	80.13	67.74	79.41	54.82	123.79	73.27	130.97
CHANGE :		-0.78	-5.34	0.55	5.45	-1.06	-5.66	4.12
Five Day Average --		79.06	68.53	80.28	49.63	124.33	75.91	124.57

**NOON 9/09/2020**

Date	Loads	Carcass	Loin	Butt	Pic	Rib	Ham	Belly
09/09/2020	208.11	83.78	71.21	79.31	53.80	127.30	81.47	135.42
CHANGE :		2.87	-1.87	0.45	4.43	2.45	2.54	8.57
Five Day Average --		79.79	69.22	80.26	49.43	125.03	77.55	125.46

**FINAL 9/04/2020**

Date	Loads	Carcass	Loin	Butt	Pic	Rib	Ham	Belly
09/04/2020	316.46	80.56	68.37	80.45	49.16	125.08	85.85	119.11

(POSTING LAST WEEK'S SETTLEMENT PRICES FOR REFERENCE DUE TO WIDE FLUCTUATIONS FROM MORNING SALES TO AFTERNOON SALES AS WELL AS DAY TO DAY PRICE VOLATILITY)



**NATIONAL DAILY DIRECT HOG PRIOR DAY REPORT - SLAUGHTERED SWINE  
SLAUGHTER DATA FOR SEPTEMBER 8, 2020**

Average carcass weight - 275.98  
Average live weight - 206.79  
[https://www.ams.usda.gov/mnreports/ams\\_2511.pdf](https://www.ams.usda.gov/mnreports/ams_2511.pdf)

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**DAILY DIRECT HOGS PLANT DELIVERED AS OF 1:30 PM September 9, 2020  
NATIONAL NEGOTIATED PURCHASE BASE CARCASS PRICES**  
Carcass Base Price: \$40.00 - \$53.00  
Weighted Average: \$48.97  
Change from Prior Day: 3.49 higher  
HOGS SOLD: 8,578

**SWINE OR PORK MARKET FORMULA PURCHASE (Including Packer Sold)**  
PRICE RANGE: \$44.67 - \$76.86  
Weighted Average \$60.62 PREVIOUS DAY \$59.99  
HOGS SOLD: 169,288  
[https://www.ams.usda.gov/mnreports/lm\\_hq203.txt](https://www.ams.usda.gov/mnreports/lm_hq203.txt)

**OCTOBER 2020/DECEMBER LEAN HOGS HOG SPREAD – SPREAD NARROW AND IS  
CONSIDERED BULLISH. SUPPORT 1.10**



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**DECEMBER 2020 – FEBRUARY 2021 LEAN HOG SPREAD - Spread could move to 3.00 with Dec under Feb.**



**OCTOBER 2020 LEAN HOGS - Strong move higher.. RSI at 72 is not overbought Support at 59.60 to 57.76 Resistance at 62.70**



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**DECEMBER 2020 LEAN HOGS – Resistance at 60.82 Support 57.40 to 56.10**



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