



Morning September 17, 2020 Livestock Report

by Chris Lehner | 312.242.7942 | chris.lehner@admis.com

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 16, 2020	120,000
WEEK AGO,	120,000
YEAR AGO,	117,000
WEEK TO DATE (EST)	360,000
SAME PERIOD LAST WEEK (EST)	241,000
SAME PERIOD LAST YEAR (ACT)	356,000

=====

	CHOICE	SELECT
BOXED BEEF FINAL 9/16/2020	215.38	204.51
CHANGE FROM PRIOR DAY	(0.71)	(1.77)
CHOICE/SELECT SPREAD:		10.87
TOTAL LOAD COUNT		166
5 DAY SIMPLE AVERAGE:	219.39	207.20

=====

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 16, 2020

Primal Rib	353.77	334.47
Primal Chuck	172.08	168.21
Primal Round	168.15	169.44
Primal Loin	306.73	271.85
Primal Brisket	157.00	152.04
Primal Short Plate	138.85	138.85
Primal Flank	110.80	106.17



FINAL SEPTEMBER 15, 2020

Primal Rib	359.89	339.59
Primal Chuck	174.53	169.92
Primal Round	169.64	170.85
Primal Loin	300.71	273.12
Primal Brisket	163.30	154.11
Primal Short Plate	140.02	140.02
Primal Flank	105.79	103.49

=====

LOAD COUNT AND CUTOFF VALUE SUMMARY FOR PRIOR 5 DAYS

Date	Choice	Select	Trim	Grinds	Total	CHOICE	SELECT
						600-900	600-900
09/15	100	18	11	30	159	216.09	206.28
09/14	94	19	18	17	149	217.21	207.76
09/11	79	16	56	14	164	219.89	207.10
09/10	114	36	18	29	198	220.83	207.32
09/09	114	32	25	14	186	222.95	207.51

=====

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	95.35 loads	3,813,938 pounds
Select Cuts	27.71 loads	1,108,560 pounds
Trimming	6.24 loads	249,679 pounds
Ground Beef	36.89 loads	1,475,699 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)

=====

USDA POSTED CATTLE PRICES ON 9/16/2020

IA/MN –CASH 104.00 ON 267 HEAD DRESSED - 162.00 ON 38 HEAD
 NE - CASH – NO SALES DRESSED NO SALES
 KS – CASH – 103.00 ON 9,967 HEAD NO DRESSED SALES
 TX/OK/NM – 103.00 - 103.50 ON 2,270 HEAD
 CO – **Information not available due to confidentiality**



**National Daily Direct Cattle SEPTEMBER 16, 2020
(5 day accumulated weighted avg)**

	Weight	Price	Head
Live Steer:	1448	\$101.23	19,878
Live Heifer:	1315	\$100.90	13,189
Dressed Steer:	964	\$160.66	17,295
Dressed Heifer:	876	\$160.47	4,843

=====
 Kansas grain/feedlots jumped on \$103 and moved cattle Wednesday. These feedlots sell cattle for the “city cattlemen” the doctors, lawyers, engineers and commodity traders living in the cities that like to say they feed cattle. Also, this year backgrounders and cow/calf producers that didn’t want to sell cattle in the spring when prices dumped, , they retained ownership and put cattle on feed.

Feedlot owners needed to move cattle from lots because of heavy weights and new feeders coming off grass were needing feedlot pen space.

Feedlots in the north and Midwest are holding for \$105.00

=====
 The Fed Cattle Exchange had 613 head at Wednesday Internet 10:00AM central time sale. Nothing was sold. Cattle were offered from \$101.00 to \$102.00 for cattle delivered in 1 to 9 days and \$102.00 to \$104.00 for cattle delivered 1-17 days.

=====
 December is the most actively traded Live Cattle contract now, but spec spreaders remain active selling October and buying December. Wednesday the spread widened to put December \$5.22 under February and February gaining 75 cents on December.

Last week, the cash cattle high in Iowa was \$103.00 with the average cash price in the US at \$101.22. Wednesday, October settled at \$106.72, December settled at \$111.95 and February cattle at \$116.25.

=====
 China has suspended poultry imports from second U.S. plant over COVID-19. China has suspended on last count 9 beef, pork and poultry plants in Brazil and Argentina. For the first half of 2020 China doubled the pork it bought in 2020 compared to previous 2019.

There seems to be a pattern that China may be doing more than stopping meat exports due to COVID 19 or African Swine Fever. It shouldn’t come as a surprise to the



possibility if in the near future China cancels exports from the US or other countries. China has record poultry inventories, has been quickly rebuilding it's hog herd, has imported record tonnes of beef and pork from Brazil over the last year and doubled first half pork exports from EU first have of 2020 compared to 2019..

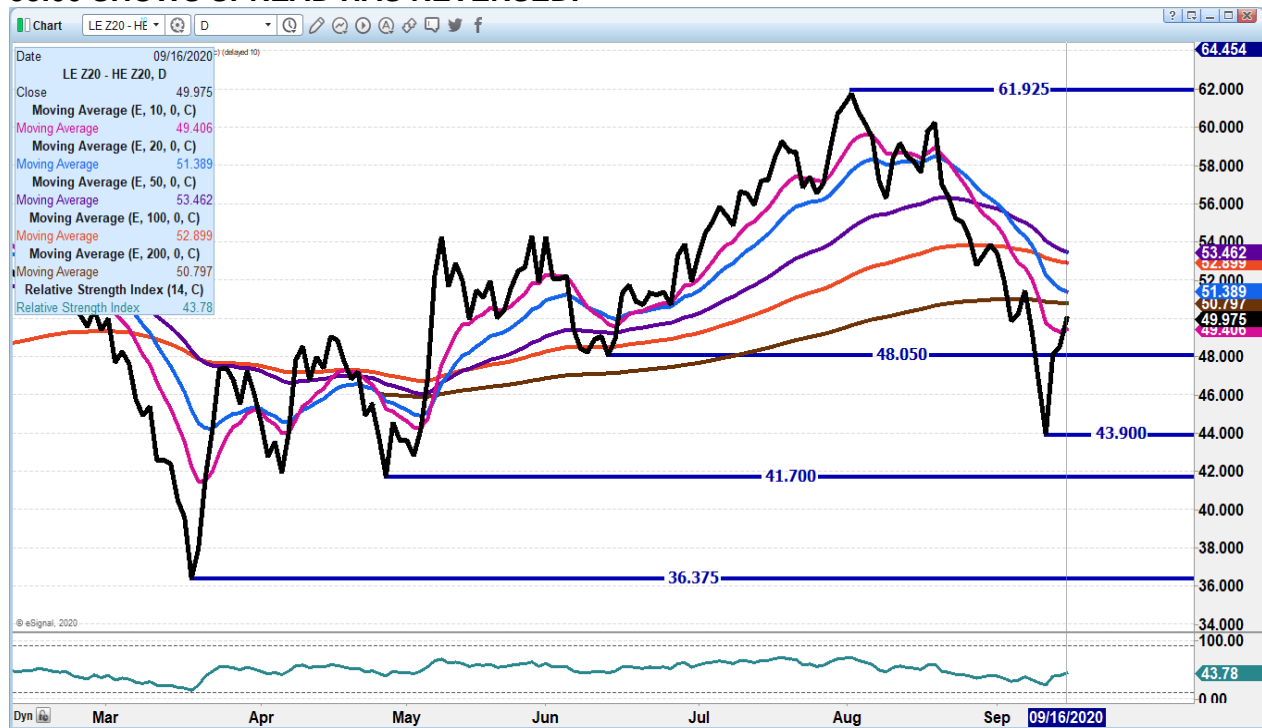
China has imported record soybeans from Brazil and over past 2 months kicked up buying soybean exports from the U.S. Hog prices have been dropping in China.

In other words, China has tonnes of poultry, beef, pork and fish in refrigerated inventories and ready supplies of livestock and poultry.

=====

As of September 15TH, dressed steer and heifer weights were 896.6 compared to previous week at 888.9 up 7.7 pounds from week ago and 29 pounds over a year ago. Grading percent was 82.6% compared to previous week at 82.6%.

DECEMBER 2020 LIVE CATTLE/DECEMBER 2020 LEAN HOG SPREAD - A CLOSE OVER 53.00 SHOWS SPREAD HAS REVERSED.





DECEMBER 2020/DFEBRUARY 2020 LIVE CATTLE SPREAD - SPREAD IS WIDE.



OCTOBER 2020 LIVE CATTLE – Support 106.00 to 104.75 Resistance 108.77 to 111.65



ADMIS.com | 312.242.7000 | Chicago | New York | London | Hong Kong | Singapore | Taipei | Shanghai

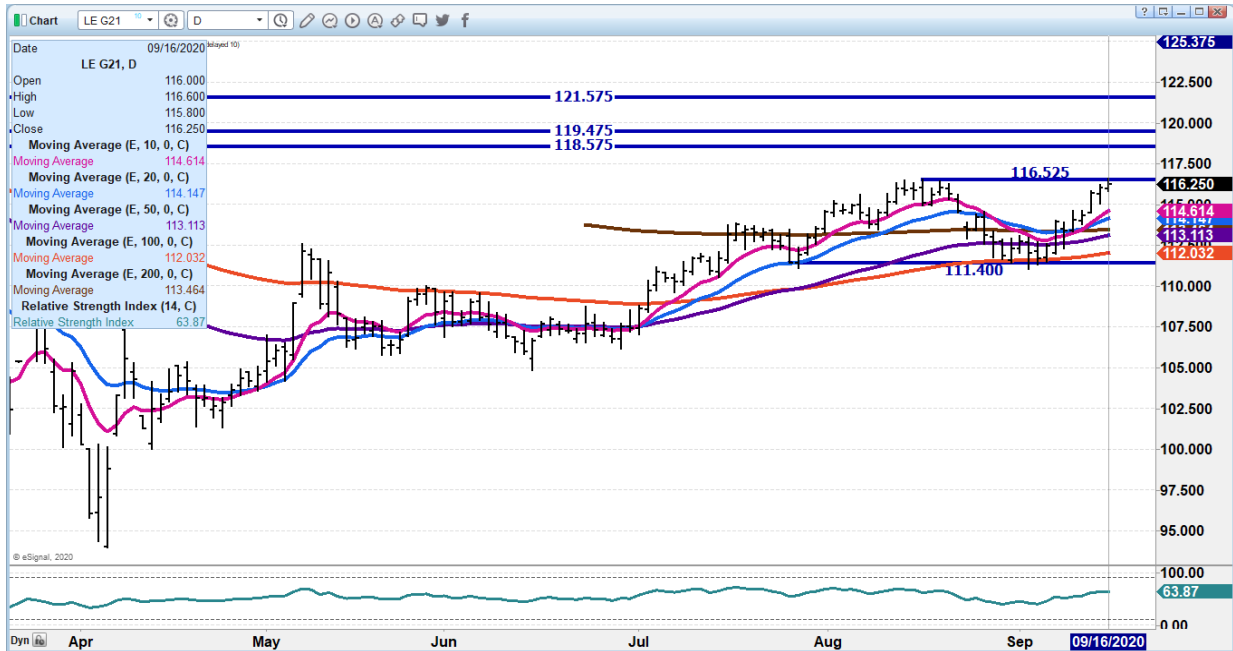
The information and comments contained herein is provided by ADM Investor Services, Inc. ("ADMIS") and NOT ADM. Futures and options trading involve significant risk of loss and may not be suitable for everyone. Therefore, carefully consider whether such trading is suitable for you in light of your financial condition. This report includes information from sources believed to be reliable and accurate as of the date of this publication, but no independent verification has been made and we do not guarantee its accuracy or completeness. Research analyst does not currently maintain positions or have financial interest in the commodities specified within this report. Any reproduction or retransmission of this report without the express written consent of ADM Investor Services, Inc. is strictly prohibited. Again, the information and comments contained herein is provided by ADMIS and in no way should be construed to be information provided by ADM. Copyright © ADM Investor Services, Inc.



DECEMBER 2020 LIVE CATTLE – Broke first resistance Wednesday at 112.00. Next resistance 114.02



FEBRUARY 2021 LIVE CATTLE – Resistance is a close over 116.52 to 118.57 Support at 114.60 to 112.00



ADMIS.com | 312.242.7000 | Chicago | New York | London | Hong Kong | Singapore | Taipei | Shanghai

The information and comments contained herein is provided by ADM Investor Services, Inc. ("ADMIS") and NOT ADM. Futures and options trading involve significant risk of loss and may not be suitable for everyone. Therefore, carefully consider whether such trading is suitable for you in light of your financial condition. This report includes information from sources believed to be reliable and accurate as of the date of this publication, but no independent verification has been made and we do not guarantee its accuracy or completeness. Research analyst does not currently maintain positions or have financial interest in the commodities specified within this report. Any reproduction or retransmission of this report without the express written consent of ADM Investor Services, Inc. is strictly prohibited. Again, the information and comments contained herein is provided by ADMIS and in no way should be construed to be information provided by ADM. Copyright © ADM Investor Services, Inc.



Feeder Cattle

THE CME FEEDER INDEX ON 09/15/2020 WAS 140.60 UP 8 CENTS FROM PREVIOUS DAY

SEPTEMBER 2020 FEEDER CATTLE SETTLEMENT ON SEPTEMBER 16, 2020 WAS \$140.50

NATIONAL FEEDER & STOCKER CATTLE SUMMARY – WEEK ENDING 09/11/2020

RECEIPTS:	AUCTIONS	DIRECT	VIDEO/INTERNET	TOTAL
THIS WEEK:	119,800	24,000	68,200	212,000
LAST WEEK:	160,800	27,900	5,200	193,900
YEAR AGO:	176,400	73,500	122,000	371,900

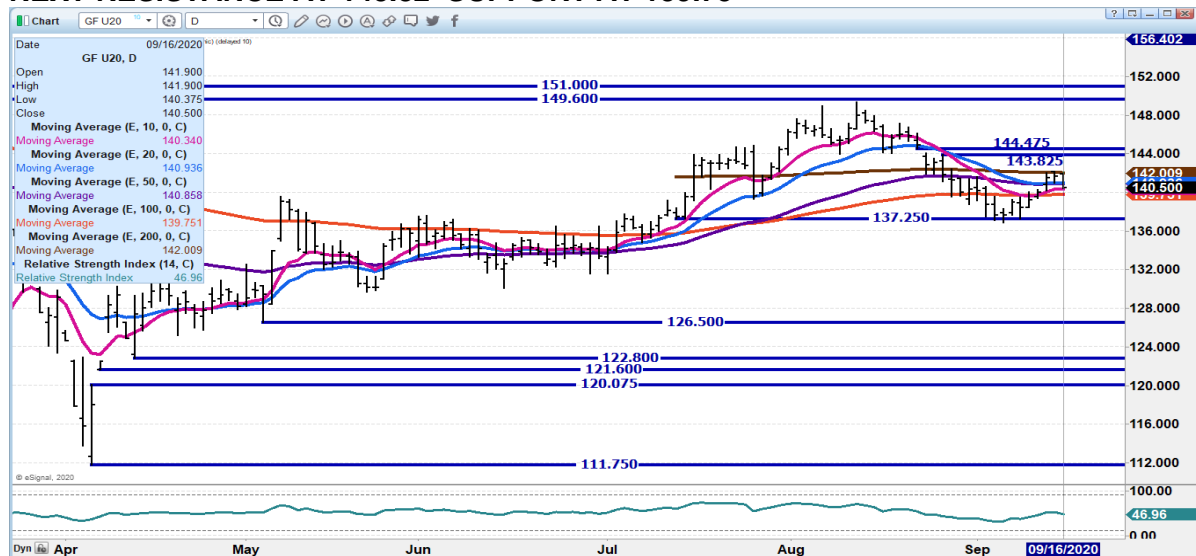
COMPARED TO LAST WEEK, STEERS AND HEIFERS SOLD UNEVEN; 2.00 LOWER TO 2.00 HIGHER. DEMAND FOR YEARLINGS COMING OFF GRASS IS GOOD TO VERY GOOD, WITH THE DEMAND FOR CALVES BEING MODERATE AT THIS POINT IN THE CALENDAR YEAR.

=====

FEEDERS SHOULD BEGIN TO WORK HIGHER INTO THE FALL AND 2021. MIDWEST FEEDLOTS ARE CURRENT AND NEED CATTLE TO REFILL PENS.

=====

SEPTEMBER 2020 FEEDER CATTLE – 200 DAY HAS BEEN A RESISTANCE AT 142.00 NEXT RESISTANCE AT 143.82 SUPPORT AT 139.75





NOVEMBER 2020 FEEDER CATTLE - RESISTANCE AT 144.92 SUPPORT AT 141.50



LEAN HOGS

USDA ESTIMATED FEDERAL HOG SLAUGHTER – TUESDAY

SEPTEMBER 16, 2020	485,000
WEEK AGO	484,000
YEAR AGO	487,000
WEEK TO DATE (EST)	1,456,000
SAME PERIOD LAST WEEK (EST)	955,000
SAME PERIOD LAST YEAR (ACT)	1,469,000

=====

CME CASH HOG INDEX 09/14/2020 AT 65.35 UP .80 FROM PREVIOUS DAY -

CME CASH PORK CUTOUT INDEX 09/15/2020 AT 81.38 UP 78 CENTS FROM PREVIOUS DAY.

CME CASH FRESH BACON INDEX ON 09/11/2020 WAS 163.42 COMPARED TO 09/04/2020 WAS 151.77



Does the world need more pork on the market?

China stopped shipments of pork from Germany because African Swine Fever was found in a few feral hogs. China found COVID 19 in poultry from the US and stopped shipments from 2 plants. COVID 19 in beef, pork and poultry from South American packers stopped shipments.

It is possible and likely China stopping shipments is more negative for hog prices than bullish ASF was found in feral hogs in Germany and so far not commercial herds. If German commercial hogs don't get ASF, Germany won't liquidate commercial hogs. If they don't have to liquidate hogs, Germany will produce the same amount of pork. German pork will still be sold and likely at lower prices since China is out of the market. There are plenty of countries that would be more than happy to buy cheaper pork and possibly some of the countries are buying US or having to take in Brazilian pork that China was taking.

By January 2019 and throughout 2020 China mandated the increase of hog numbers. Billions have been spent increasing pork and poultry. Hog prices are falling in China. Could China be using Germany finding ASF and other countries with shipments of meat contaminated with COVID 19?

The CME Index is fairly inline with pork carcass now. Gain on October was only bull spread as other spreads continued the reverse of Monday.
=====

SEPTEMBER 16, 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 16, 2020

LOADS OF PORK CUTS: 297.49

LOADS TRIM/PROCESSED PORK: 41.16

FINAL 9/16/2020

Date	Loads	Carcass	Loin	Butt	Pic	Rib	Ham	Belly
09/16/2020	338.65	83.14	73.63	77.05	58.17	125.81	74.90	137.85
CHANGE :		-1.12	-2.38	-2.97	-0.99	-0.32	-0.28	0.18
Five Day Average --		81.84	72.30	78.07	56.65	124.21	73.37	135.16



NOON 9/16/2020

Date	Loads	Carcass	Loin	Butt	Pic	Rib	Ham	Belly
09/16/2020	184.04	84.95	75.27	76.11	57.28	125.80	81.63	137.54
CHANGE :		0.69	-0.74	-3.91	-1.88	-0.33	6.45	-0.13
Five Day Average --		82.21	72.63	77.88	56.47	124.21	74.72	135.10

FINAL 9/11/2020

Date	Loads	Carcass	Loin	Butt	Pic	Rib	Ham	Belly
09/11/2020	347.47	81.25	72.07	78.67	55.03	122.07	73.56	133.29

(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 15, 2020**

Average carcass weight - 277.80
 Average live weight - 208.02
https://www.ams.usda.gov/mnreports/ams_2511.pdf

**DAILY DIRECT HOGS PLANT DELIVERED AS OF 1:30 PM September 16, 2020
NATIONAL NEGOTIATED PURCHASE BASE CARCASS PRICES**

Carcass Base Price: \$47.00 - \$65.00
 Weighted Average: \$60.88
 Change from Prior Day: 1.91 higher
 HOGS SOLD: 8,833

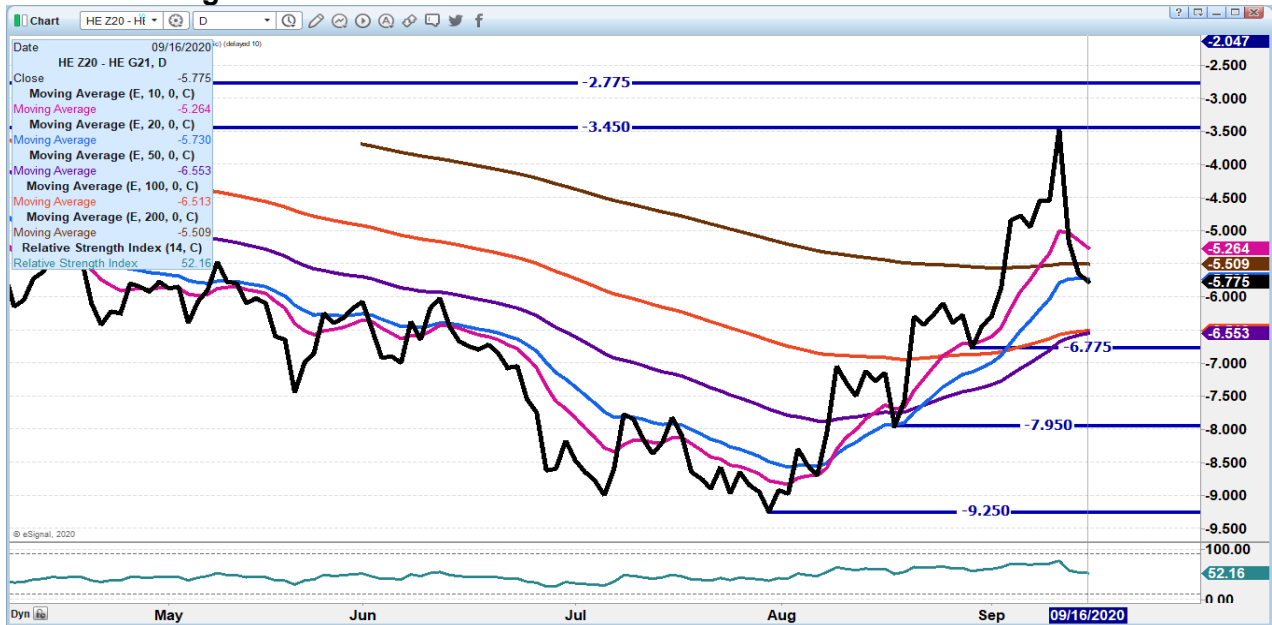
SWINE OR PORK MARKET FORMULA PURCHASE (Including Packer Sold)

PRICE RANGE: \$48.89 - \$80.05
 Weighted Average \$67.08 PREVIOUS DAY \$65.78
 HOGS SOLD: 150,754

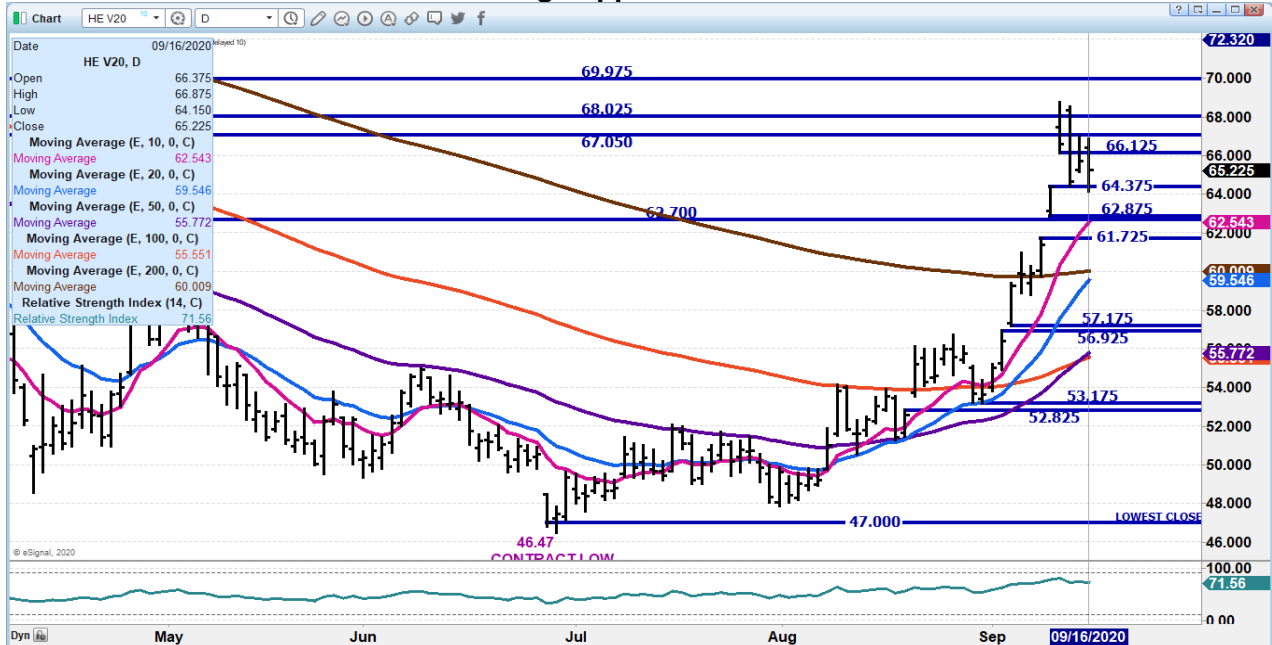
https://www.ams.usda.gov/mnreports/lm_hq203.txt



CEMBER 2020 – FEBRUARY 2021 LEAN HOG SPREAD - Looks like spread has reversed after narrowing.



OCTOBER 2020 LEAN HOGS - Strong support at 62.37 to 61.72 Resistance at 68.07



ADMIS.com | 312.242.7000 | Chicago | New York | London | Hong Kong | Singapore | Taipei | Shanghai

The information and comments contained herein is provided by ADM Investor Services, Inc. ("ADMIS") and NOT ADM. Futures and options trading involve significant risk of loss and may not be suitable for everyone. Therefore, carefully consider whether such trading is suitable for you in light of your financial condition. This report includes information from sources believed to be reliable and accurate as of the date of this publication, but no independent verification has been made and we do not guarantee its accuracy or completeness. Research analyst does not currently maintain positions or have financial interest in the commodities specified within this report. Any reproduction or retransmission of this report without the express written consent of ADM Investor Services, Inc. is strictly prohibited. Again, the information and comments contained herein is provided by ADMIS and in no way should be construed to be information provided by ADM. Copyright © ADM Investor Services, Inc.



ADM Investor Services, Inc.



DECEMBER 2020 LEAN HOGS – Support Wednesday low to 59.97 Resistance at 66.85



Beef: Net sales of 14,300 MT reported for 2020 were down 8 percent from the previous week and 2 percent from the prior 4-week average. Increases were primarily for South Korea (4,400 MT, including decreases of 300 MT), Japan (4,000 MT, including decreases of 200 MT), China (1,800 MT), Mexico (1,400 MT), and Canada (900 MT, including decreases of 100 MT). For 2021, net sales of 500 MT were primarily for Japan. Exports of 14,100 MT were down 12 percent from the previous week and 19 percent from the prior 4-week average. The destinations were primarily to Japan (4,000 MT), South Korea (3,900 MT), Hong Kong (1,400 MT), Taiwan (1,200 MT), and Mexico (1,000 MT).

Pork: Net sales of 50,600 MT reported for 2020 were up 68 percent from the previous week and 41 percent from the prior 4-week average. Increases primarily for China (35,900 MT, including decreases of 200 MT), Mexico (5,900 MT, including decreases of 400 MT), Japan (3,200 MT, including decreases of 400 MT), Canada (1,500 MT, including decreases of 400 MT), and Australia (1,300 MT, including decreases of 100 MT), were offset by reductions primarily for Nicaragua (100 MT). For 2021, total net sales of 100 MT were for Australia. Exports of 28,600 MT were down 15 percent from the previous week and 12 percent from the prior 4-week average. The destinations were primarily to Mexico

ADMIS.com | 312.242.7000 | Chicago | New York | London | Hong Kong | Singapore | Taipei | Shanghai

The information and comments contained herein is provided by ADM Investor Services, Inc. ("ADMIS") and NOT ADM. Futures and options trading involve significant risk of loss and may not be suitable for everyone. Therefore, carefully consider whether such trading is suitable for you in light of your financial condition. This report includes information from sources believed to be reliable and accurate as of the date of this publication, but no independent verification has been made and we do not guarantee its accuracy or completeness. Research analyst does not currently maintain positions or have financial interest in the commodities specified within this report. Any reproduction or retransmission of this report without the express written consent of ADM Investor Services, Inc. is strictly prohibited. Again, the information and comments contained herein is provided by ADMIS and in no way should be construed to be information provided by ADM. Copyright © ADM Investor Services, Inc.



ADM Investor
Services, Inc.



(9,200 MT), China (8,300 MT), Japan (3,700 MT), Canada (1,900 MT), and South Korea (1,400 MT).

CHARTS FROM ESIGNAL INTERACTIVE, INC.

Chris.Lehner@admis.com

312 242 7942

913.787.6804

ADMIS.com | 312.242.7000 | Chicago | New York | London | Hong Kong | Singapore | Taipei | Shanghai

The information and comments contained herein is provided by ADM Investor Services, Inc. ("ADMIS") and NOT ADM. Futures and options trading involve significant risk of loss and may not be suitable for everyone. Therefore, carefully consider whether such trading is suitable for you in light of your financial condition. This report includes information from sources believed to be reliable and accurate as of the date of this publication, but no independent verification has been made and we do not guarantee its accuracy or completeness. Research analyst does not currently maintain positions or have financial interest in the commodities specified within this report. Any reproduction or retransmission of this report without the express written consent of ADM Investor Services, Inc. is strictly prohibited. Again, the information and comments contained herein is provided by ADMIS and in no way should be construed to be information provided by ADM. Copyright © ADM Investor Services, Inc.