



MORNING OCTOBER 1, 2020 LIVESTOCK REPORT

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

CATTLE

USDA FEDERAL SLAUGHTER

SEPTEMBER 30, 2020	120,000
WEEK AGO	120,000
YEAR AGO	119,000
WEEK TO DATE (EST)	358,000
SAME PERIOD LAST WEEK (EST)	361,000
SAME PERIOD LAST YEAR (ACT)	353,000

=====

	CHOICE	SELECT
BOXED BEEF FINAL	217.74	207.54
CHANGE FROM PRIOR DAY	0.58	0.55
CHOICE/SELECT SPREAD:		10.20
TOTAL LOAD COUNT		155
5 DAY SIMPLE AVERAGE:	217.51	207.15

=====

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 30, 2020

Primal Rib	380.15	349.51
Primal Chuck	178.75	176.05
Primal Round	170.29	168.33
Primal Loin	294.48	271.40
Primal Brisket	158.79	147.91
Primal Short Plate	135.50	135.50
Primal Flank	100.40	99.50

FINAL SEPTEMBER 29, 2020

Primal Rib	381.45	348.51
Primal Chuck	176.04	172.82
Primal Round	169.57	169.06
Primal Loin	294.29	272.15
Primal Brisket	162.03	146.64
Primal Short Plate	137.21	137.21
Primal Flank	100.20	103.80



LOAD COUNT AND CUTOFF VALUE SUMMARY FOR PRIOR 5 DAYS

Date	Choice	Select	Trim	Grinds	Total	CHOICE	SELECT
						600-900	600-900
09/29	68	30	11	25	134	217.16	206.99
09/28	85	17	11	34	148	217.72	206.42
09/25	83	28	12	15	138	219.34	206.98
09/24	72	21	5	24	123	217.48	207.74
09/23	92	30	11	35	169	215.87	207.60

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	88.05 loads	3,521,888 pounds
Select Cuts	30.62 loads	1,224,874 pounds
Trimming	10.40 loads	416,065 pounds
Ground Beef	26.18 loads	1,047,387 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)

BEEF AND PORK EXPORTS FOR WEEK ENDING SEPTEMBER ON LAST PAGE

USDA POSTED CATTLE PRICES ON 9/30/2020

IA/MN –CASH 107.00 HEAD DRESSED - 167.00
 NE - CASH – 107.00 DRESSED 167.00
 KS – CASH No Reportable Trade –DRESSED No Reportable Trade
 TX/OK/NM – 106.00ONLY 144 HEAD
 CO – Information not available due to confidentiality

National Daily Direct Cattle SEPTEMBER 29, 2020
 (5 day accumulated weighted avg)

	Weight	Price	Head
Live Steer:	1470	\$105.07	46,394
Live Heifer:	1312	\$104.87	22,103
Dressed Steer:	957	\$164.92	18,656
Dressed Heifer:	832	\$164.77	7,294



The Fed Cattle Exchange had 901 head at their Internet sale Wednesday. 358 sold. At \$106.00 for delivery 1- 17 days. Cattle for delivery 1 – 9 days were offered at \$104 and were passed up.

Beef prices higher Wednesday. Cash prices up \$1.00 on Wednesday but volume was very light. Feedlots holding for \$108.00 to \$110.00 Packers want cattle to kill and showlists are light and feedlots now having margins in the black finally have some room to negotiate higher prices. Consumers are buying beef from high priced rib sections to ground beef and trimmings.

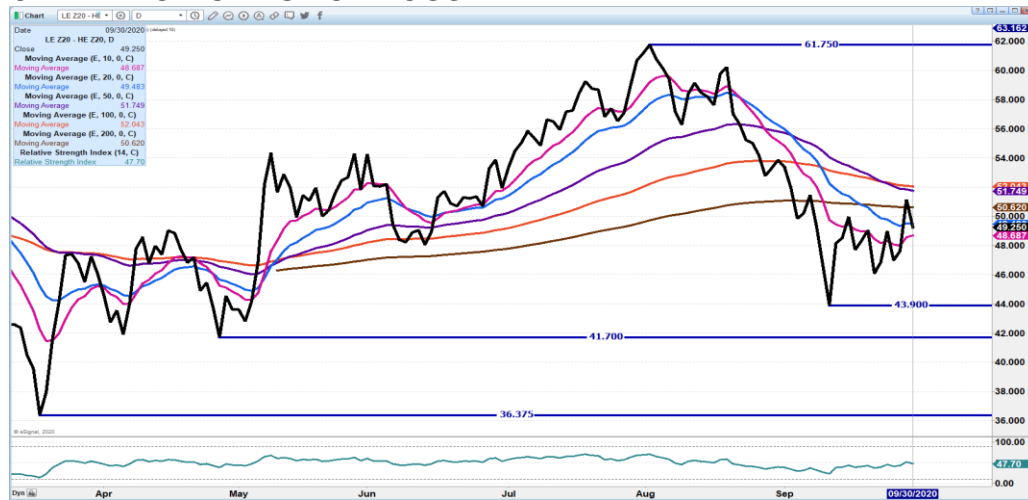
There are feedlots forward contracting now \$1.00 to \$2.00 under Dec through April 2021.

ARGENTINA'S BEEF EXPORTS TO CHINA THIS YR SEEN AT PRE-PANDEMIC PACE

<https://www.reuters.com/article/us-argentina-china-beef/argentinas-beef-exports-to-china-this-year-seen-at-pre-pandemic-pace-idUSKBN26L3UG>

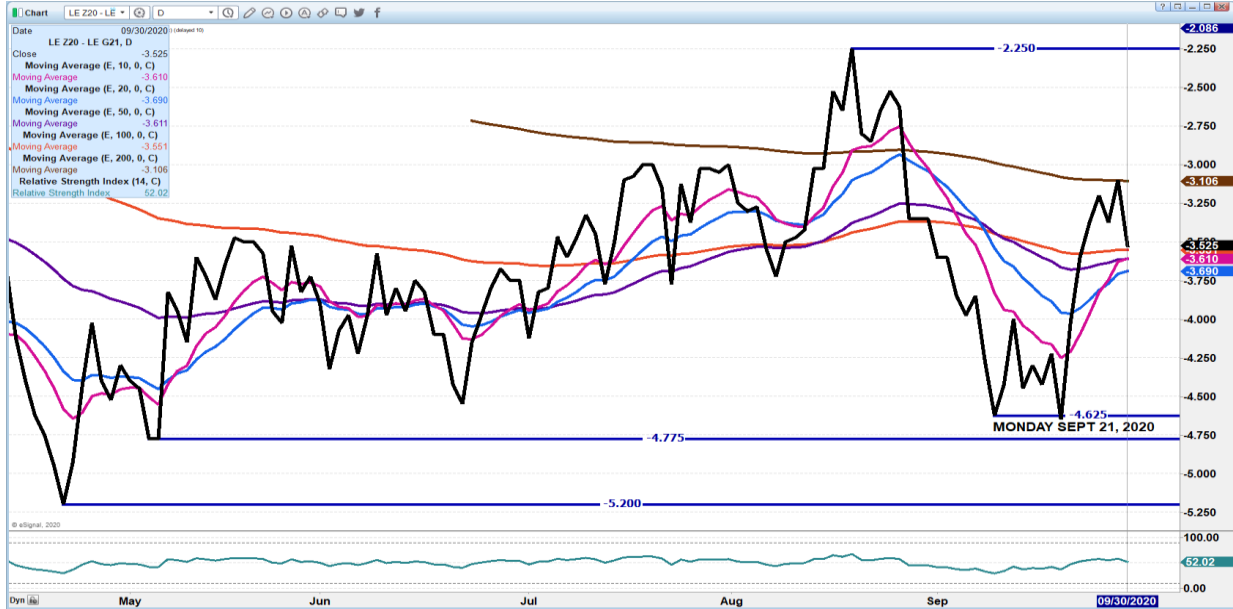
As of September 29th, dressed steer and heifer weights were 893.2 compared to previous week at 887.0 up 6.2 pounds from week ago and 19 pounds over a year ago. Grading percent was 81.3% compared to previous week at 82.2%.

DECEMBER 2020 LIVE CATTLE/DECEMBER 2020 LEAN HOG SPREAD - SLIGHT DOWN TURN ON SPREAD WEDNESDAY WITH GAIN ON HOGS. MOVING FORWARD, LOOK FOR CATTLE TO MOVE UP ON HOGS

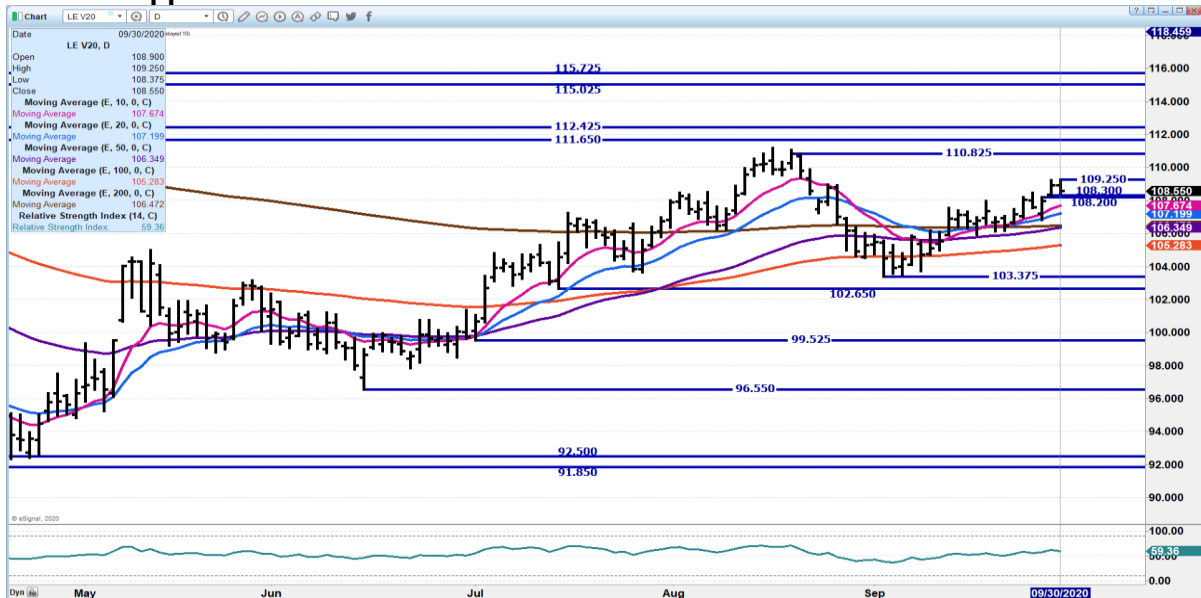




**DECEMBER 2020/FEBRUARY 2021 LIVE CATTLE SPREAD - TUESDAYS MOVE UP 200
200 MOVING AVERAGE SLIGHT RESISTANCE AND PROFIT TAKING ON WEDNESDAY.
SPREAD IN "NORMAL" RANGE UNLESS MOVES BELOW 4.00. COULD MOVE SIDWAYS**



**OCTOBER 2020 LIVE CATTLE – Open interest dropping 25,112 Resistance at 109.25 to
110.82 Support 106.35**

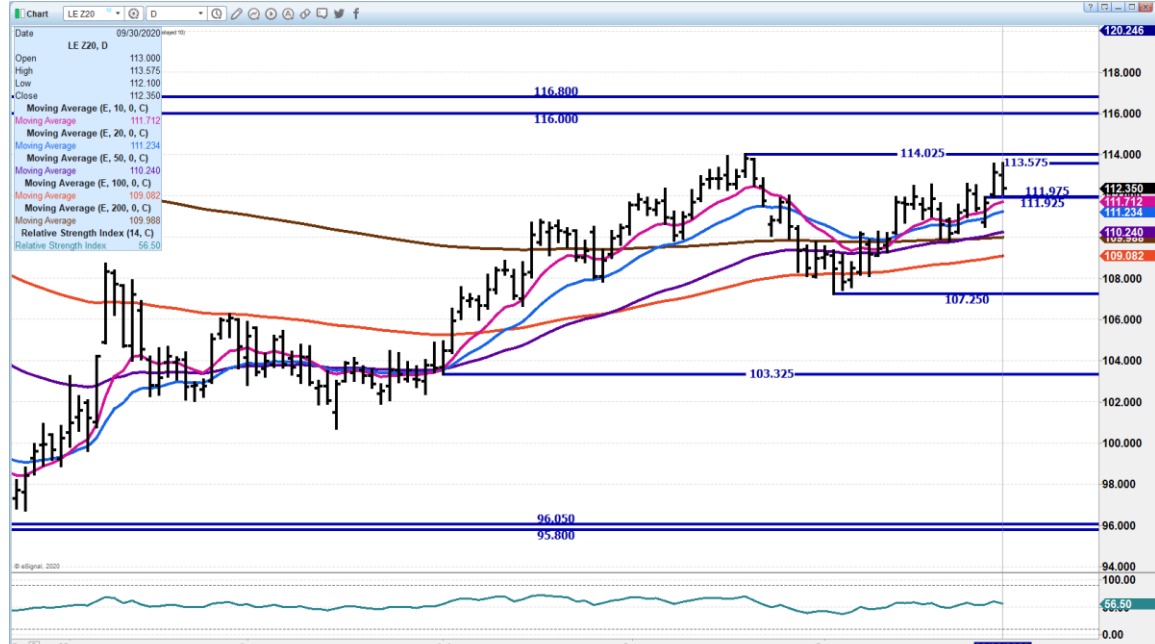


ADMIS.com | 312.242.7000 | Chicago | New York | London | Hong Kong | Singapore | Taipei | Shanghai

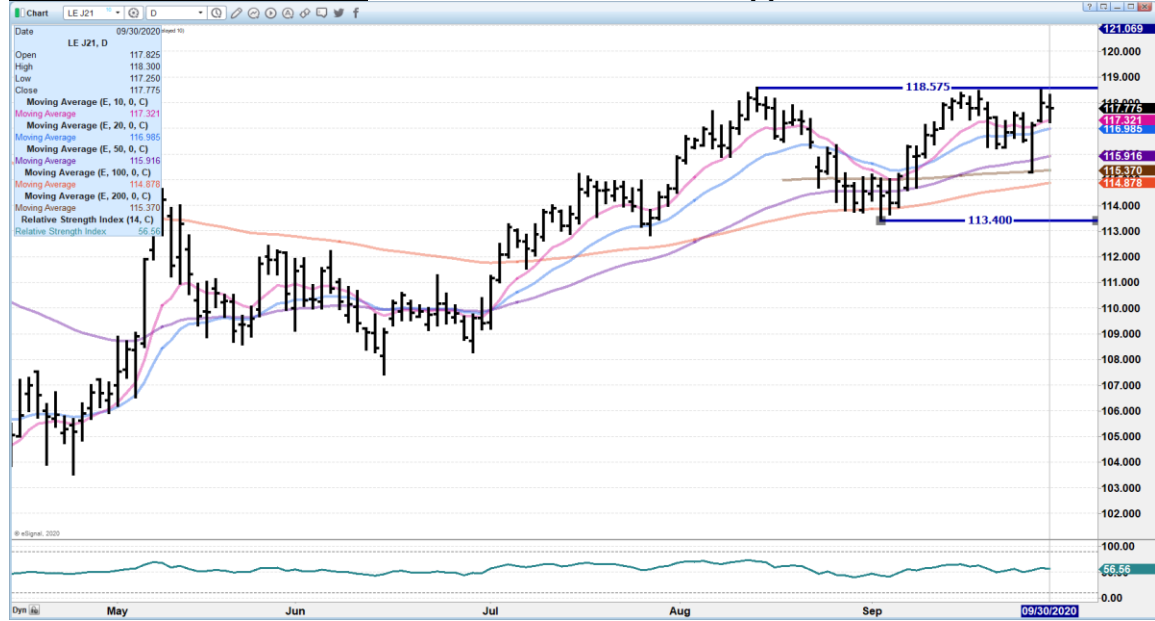
The information and comments contained herein is provided by ADM Investor Services, Inc. ("ADMIS") and NOT ADM. Futures and options trading involve significant risk of loss and may not be suitable for everyone. Therefore, carefully consider whether such trading is suitable for you in light of your financial 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 – Dropped but couldn't fill gap. Support at 111.75 to 110.00 Resistance at 113.57 to 114.02



APRIL 2021 LIVE CATTLE – Resistance at 118.57 Support at 117.32 to 115.87



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 09/29/2020 WAS 142.58 UP 22 CENTS FROM PREVIOUS DAY

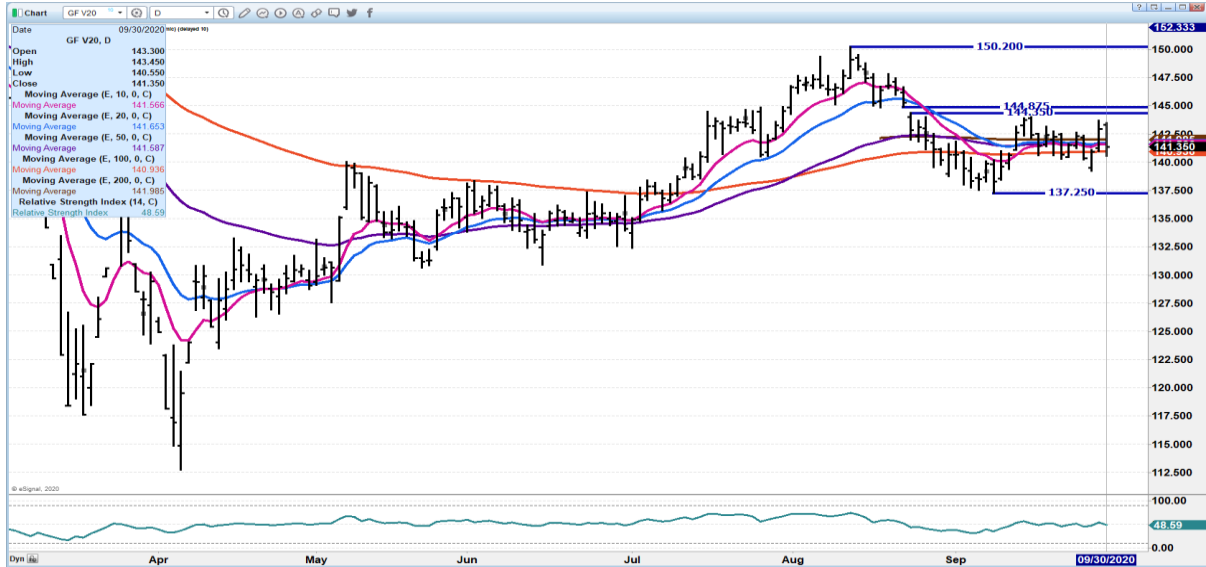
OCTOBER 2020 FEEDER CATTLE SETTLED ON SEPTEMBER 29, 2020 AT \$141.35

=====

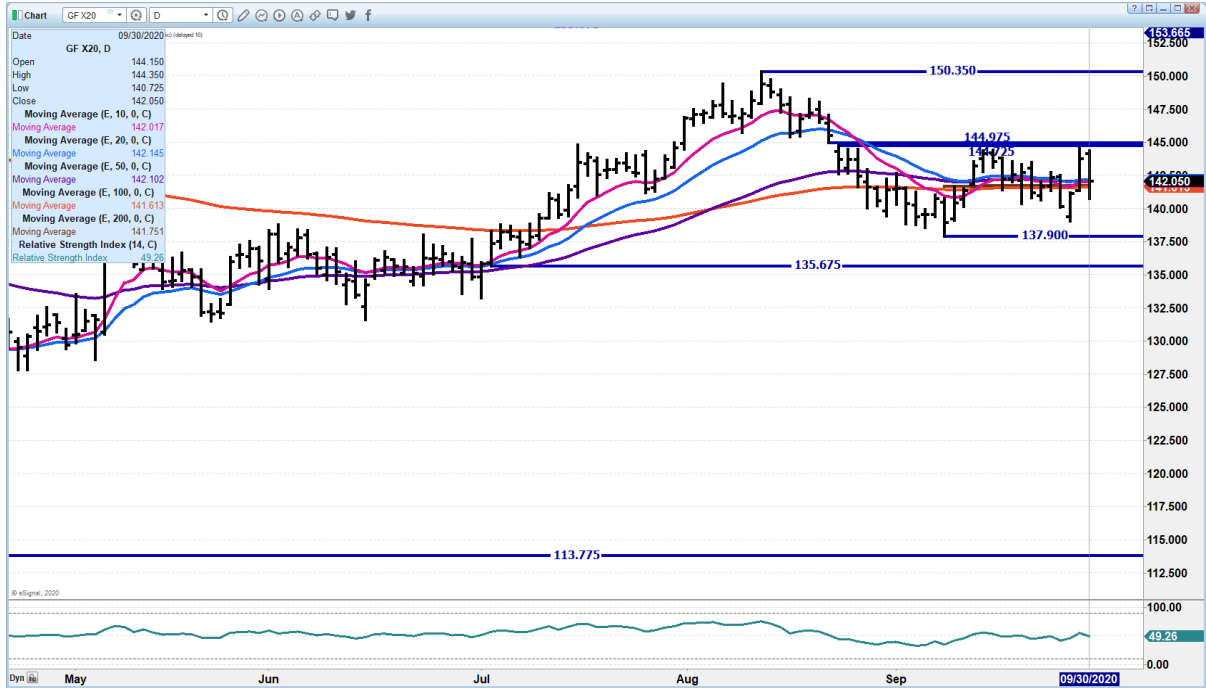
NOVEMBER 2020/JANUARY 2021 FEEDER CATTLE SPREAD. - SLIGHT CORRECTION WEDNESDAY. BUY STEADY WITH BREAK BELOW 1.00



OCTOBER 2020 FEEDER CATTLE – RESISTANCE 114.87 SUPPORT AT 137.25



NOVEMBER 2020 FEEDER CATTLE - RESISTANCE AT 144.97 SUPPORT AT 137.90





LEAN HOGS

USDA ESTIMATED FEDERAL HOG SLAUGHTER – TUESDAY

SEPTEMBER 30, 2020	473,000
WEEK AGO	487,000
YEAR AGO	487,000
WEEK TO DATE (EST)	1,447,000
SAME PERIOD LAST WEEK (EST)	1,450,000
SAME PERIOD LAST YEAR (ACT)	1,461,000

=====

CME CASH HOG INDEX 09/28/2020 AT 75.91 UP 49 CENTS FROM PREVIOUS DAY -

CME CASH PORK CUTOUT INDEX 09/29/2020 AT 91.52 UP .79 FROM PREVIOUS DAY.

**CME CASH FRESH BACON INDEX ON 09/25/2020 WAS 189.34 COMPARED TO
09/18/2020 WAS 175.11**

=====

Pork carcass down 36 cents Wednesday and down \$2.02 from Monday but average since last Friday's settlement about the same. Pork has had a good run up in September with retailers having specials for October, often called the pork month. On September 1st the carcass settled at 73.81 and on September 3, it settled at 91.37. Loins on 9/1/20 were 74.87 and on 9.30.20 settled at 81.59. The move higher was lead by hams and bellies. Hams on 9/1/20 were 54.13 and yesterday settled at 83.46 and bellies at the start of the month were 117.12 and closed out September at 144.94 after moving over 150.00 last week.

For hogs to continue to move higher, it depends on the ham and belly market and likely how and if Mexico remains a strong buyer.

=====

If weights can be used to analyze markets, it is appearing packers are not trying to kill as many hogs as they can. A little over a week ago, the average live weight dropped to 206.5 after steady falling from 210 – 212 pounds. Lately hogs have been holding from around 209 – 210 pounds. Packers are making money and want to hold profits together. In other words if packers push more hogs through the line, they will see diminishing returns. It is something to monitor.



If China is backing off exports packers know they don't have as much pork forward contracted. Global hog expansion has been taking place. Germany may not be selling pork to China but until it gets into their commercial herds, so far only found in feral hogs, they are moving pork to other countries.

China becoming self sufficient in hogs also means they will be moving pork to countries with ties to China.

Forward contracting gives packers a big edge knowing how pork sales are months ahead of time. Besides speculative spreading, there is a reason December is \$9.70 under October.

=====

CHINA'S PIG HERD REBOUNDS AFTER SWINE FEVER, BUT PORK SUPPLY WILL TAKE TIME TO RECOVER

[HTTPS://WWW.REUTERS.COM/ARTICLE/CHINA-SWINEFEVER-PIGS/CHINAS-PIG-HERD-REBOUNDS-AFTER-SWINE-FEVER-BUT-PORK-SUPPLY-WILL-TAKE-TIME-TO-RECOVER-IDINL4N2FC2RL](https://www.reuters.com/article/china-swinefever-pigs/chinas-pig-herd-rebounds-after-swine-fever-but-pork-supply-will-take-time-to-recover-idINL4N2FC2RL)

=====

SEPTEMBER 30, 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 30, 2020

LOADS OF PORK CUTS: 273.72

LOADS TRIM/PROCESSED PORK: 36.33

FINAL 9/30/2020

Date	Loads	Carcass	Loin	Butt	Pic	Rib	Ham	Belly
09/30/2020	310.05	91.37	81.59	90.32	67.86	140.33	83.46	144.94
CHANGE :		-0.38	1.22	1.52	2.69	1.08	-1.57	-2.67
Five Day Average --		91.97	79.69	87.25	64.74	137.06	86.79	149.69

FINAL 9/29/2020

Date	Loads	Carcass	Loin	Butt	Pic	Rib	Ham	Belly
09/29/2020	376.54	91.75	80.37	88.80	65.17	139.25	85.03	147.61
CHANGE :		-1.64	1.31	1.66	0.87	2.37	-5.52	-6.00
Five Day Average --		91.49	78.59	85.40	63.36	135.36	86.51	150.83



PREVIOUS WEEKS SETTLE 9/25/2020

Date	Loas	Carcass	Loin	Butt	Pic	Rib	Ham	Belly
09/25/2020	378.38	91.32	80.01	86.79	63.17	135.12	85.04	150.16
Five Day Average --		90.21	76.36	82.88	62.42	132.07	86.35	150.22

=====

**NATIONAL DAILY DIRECT HOG PRIOR DAY REPORT - SLAUGHTERED SWINE
SLAUGHTER DATA FOR SEPTEMBER 29, 2020**

Average carcass weight - 280.71
 Average live weight - 209.99
https://www.ams.usda.gov/mnreports/ams_2511.pdf

=====

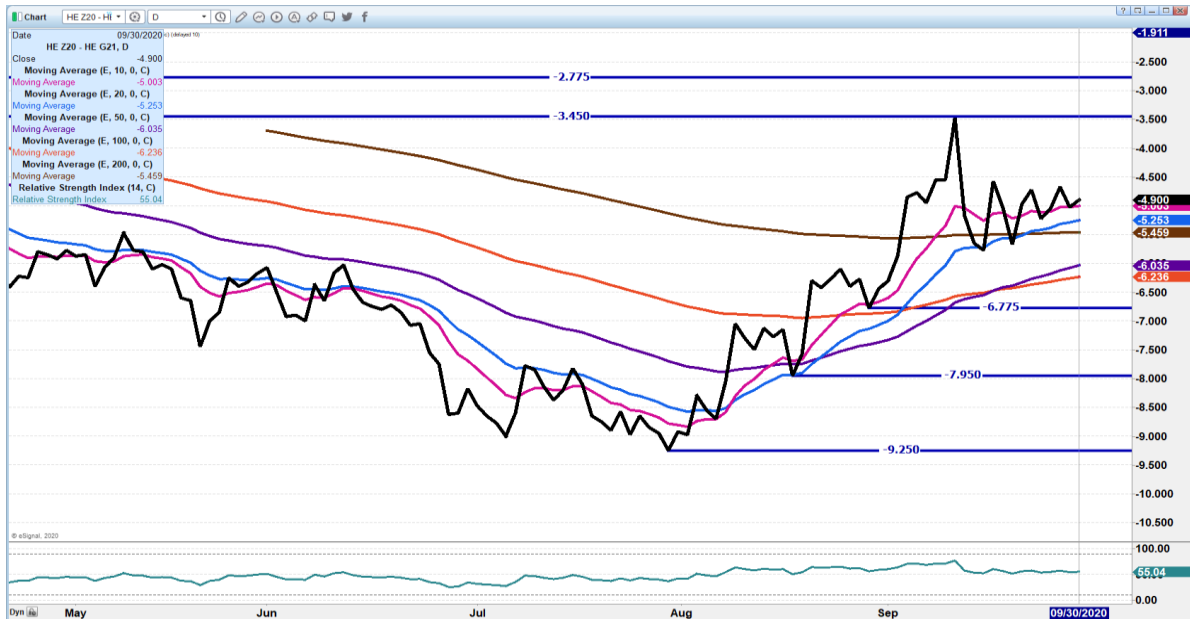
DAILY DIRECT HOGS PLANT DELIVERED AS OF 1:30 PM September 30, 2020
NATIONAL NEGOTIATED PURCHASE BASE CARCASS PRICES
 Carcass Base Price: \$60.00 - \$67.25
 Weighted Average: \$64.47
 Change from Prior Day: 0.55 higher
 HOGS SOLD: 8,341

SWINE OR PORK MARKET FORMULA PURCHASE (Including Packer Sold)
 PRICE RANGE: \$63.37 - \$88.89
 Weighted Average: \$75.24
 Previous Day: \$74.80
 HOGS SOLD: 154,004

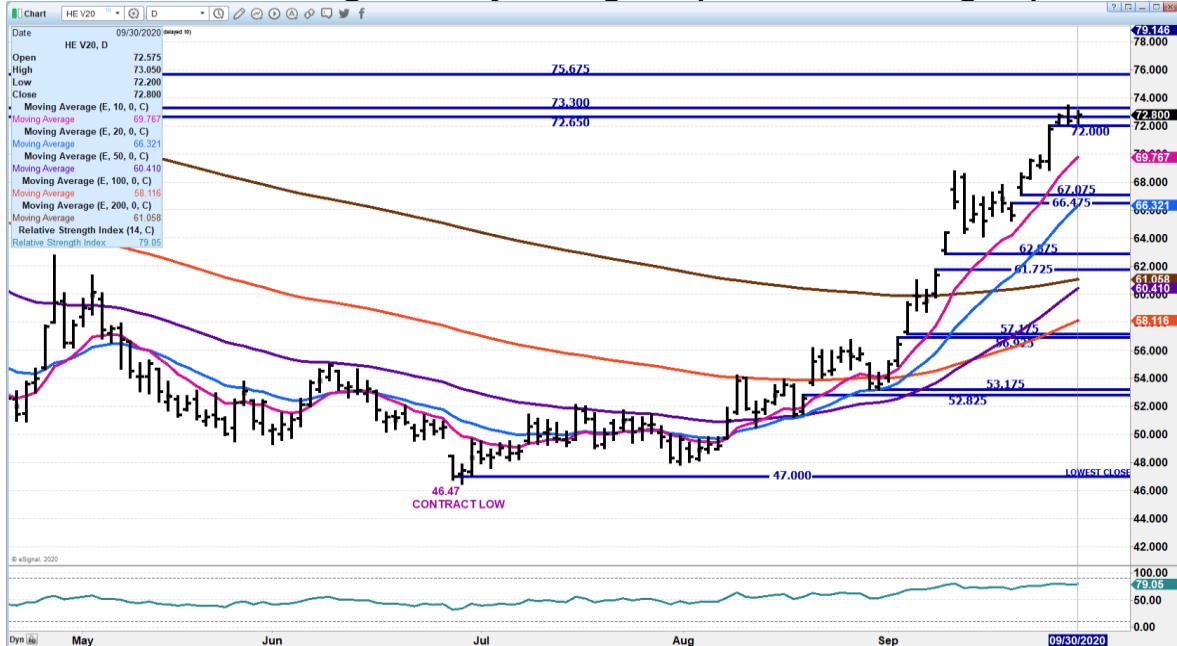
https://www.ams.usda.gov/mnreports/lm_hq203.txt



DECEMBER2020/FEBRUARY 2021 LEAN HOG SPREAD – ABOUT A 1>00 WIDE. LOOK FOR SPREAD TO NARROW



OCT 2020 LEAN – Hit high Tuesday Waiting to expiration and moving on pork market



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 – Dropped to support 66.82



Beef: Net sales of 24,700 MT reported for 2020 were up 37 percent from the previous week and 67 percent from the prior 4-week average. Increases were primarily for Japan (9,900 MT, including decreases of 600 MT), South Korea (5,700 MT, including decreases of 400 MT), China (4,300 MT), Hong Kong (2,000 MT, including decreases of 100 MT), and Mexico (800 MT, including decreases of 100 MT). For 2021, net sales of 1,300 MT were primarily for Hong Kong (500 MT) and South Korea (500 MT). Exports of 16,600 MT were down 5 percent from the previous week, but up 2 percent from the prior 4-week average. The destinations were primarily to South Korea (4,500 MT), Japan (4,000 MT), China (1,700 MT), Hong Kong (1,500 MT), and Taiwan (1,400 MT).

Pork: Net sales of 39,500 MT reported for 2020 were up 5 percent from the previous week, but down 8 percent from the prior 4-week average. Increases were primarily for Mexico (17,900 MT, including decreases of 1,000 MT), China (6,500 MT, including decreases of 1,100 MT), Canada (4,400 MT, including decreases of 400 MT), South Korea (4,000 MT,

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.



including decreases of 600 MT), and Japan (2,800 MT, including decreases of 100 MT). For 2021, net sales of 1,300 MT were for Chile (1,100 MT) and Australia (200 MT). Exports of 32,600 MT were down 9 percent from the previous week, but unchanged from the prior 4-week average. The destinations were primarily to Mexico (10,500 MT), China (9,500 MT), Japan (4,400 MT), Canada (2,400 MT), and South Korea (1,800 MT).

CHARTS FROM ESIGNAL INTERACTIVE, INC.

Chris.Lehner@admis.com 312 242 7942 913.787.6804