



THURSDAY MORNING DECEMBER 17, 2020 LIVESTOCK REPORT

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CATTLE

USDA FEDERAL CATTLE SLAUGHTER

DECEMBER 16, 2020	120,000
WEEK AGO	120,000
YEAR AGO	124,000
WEEK TO DATE (EST)	357,000
SAME PERIOD LAST WEEK (EST)	354,000
SAME PERIOD LAST YEAR (ACT)	367,000

**Revised Tuesday Cattle Slaughter..117,000 Previous estimate 120,000

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	CHOICE	SELECT
BOXED BEEF FINAL	207.22	192.09
CHANGE FROM PRIOR DAY	(1.60)	(0.11)
CHOICE/SELECT SPREAD:		15.13
TOTAL LOAD COUNT		143
5 DAY SIMPLE AVERAGE:	213.05	196.07

PREVIOUS WEEK 12/11/2020	CHOICE	SELECT
BOXED BEEF FINAL PRICE	213.88	195.71

RECENT CHOICE HIGH - NOVEMBER 25, 2020

	245.06	220.90
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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 DECEMBER 16, 2020

Primal Rib	420.59	333.72
Primal Chuck	163.39	163.21
Primal Round	171.80	169.42
Primal Loin	255.95	234.10
Primal Brisket	147.17	149.18
Primal Short Plate	108.29	108.29



Primal Flank 93.76 90.94

FINAL DECEMBER 15, 2020

Primal Rib 439.79 342.82
Primal Chuck 163.42 161.56
Primal Round 169.34 168.26
Primal Loin 257.54 233.82
Primal Brisket 140.45 145.42
Primal Short Plate 107.20 107.20
Primal Flank 94.34 95.08

PREVIOUS WEEK'S CLOSE

FINAL DECEMBER 11, 2020

Primal Rib 467.69 355.16
Primal Chuck 166.03 166.33
Primal Round 169.17 167.95
Primal Loin 259.97 233.61
Primal Brisket 145.89 152.80
Primal Short Plate 113.97 113.97
Primal Flank 90.72 93.91

LOAD COUNT AND CUTOFF VALUE SUMMARY FOR PRIOR 5 DAYS

Date						CHOICE	SELECT
	Choice	Select	Trim	Grinds	Total	600-900	600-900
12/15	97	37	10	30	174	208.82	192.20
12/14	127	21	15	14	177	209.69	192.30
12/11	65	26	21	19	131	213.88	195.71
12/10	98	27	27	33	185	214.59	198.47
12/09	132	40	17	18	207	218.26	201.65
12/08	122	39	39	29	228	225.02	205.42

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 83.55 loads 3,341,932 pounds
Select Cuts 25.55 loads 1,022,151 pounds
Trimming 2.93 loads 117,161 pounds



Ground Beef 31.30 loads 1,251,896 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 at bottom of report

DECEMBER 2020 USDA LIVESTOCK REPORTS
USDA CATTLE ON FEED – FRIDAY DECEMBER 18, 2020 2:00PM CENTRAL TIME
USDA COLD STORAGE – TUESDAY DECEMBER 22, 2020 2:00PM CENTRAL TIME
USDA QUARTERLY HOGS AND PIGS– WEDNESDAY DECEMBER 23, 2020 2:00PM CENTRAL TIME

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DELIVERY NOTICE SERVED – DECEMBER 2020 - LIVE CATTLE
SETTLEMENT: DECEMBER 16, 2020 - \$108.77
OLDEST LONG: 08/03/20 SETTLEMENT AT \$111.82
35 DELIVERIES
AMARILLO 7
WEST POINT 28

USDA POSTED CATTLE PRICES ON 12/16/2020
IA/MN – CASH – 102.00 - 105.00 AVERAGE WEIGHT 1,588.8 Dressed.- 165.00 - 167.00
AVERAGE WEIGHT 1,013.3
NE - CASH – 105.00 at 1518 POUNDS Dressed.- 165.00 - 168.00
KS – CASH No Reportable Trade. Dressed - No Reportable Trade.
TX/OK/NM – No Reportable Trade
CO – Information not available due to confidentiality

*****National Daily Direct Cattle 12/16/2020**
(5 day accumulated weighted avg)

	Weight	Price	Head
Live Steer:	1492	\$106.63	18,077
Live Heifer:	1295	\$106.92	9,682
Dressed Steer:	974	\$167.90	9,870
Dressed Heifer:	866	\$168.38	3,765



Estimates for December USDA Cattle-On-Feed Report

2:00PM CENTRAL US TIME FRIDAY DECEMBER 18, 2020

	Average of estimates	Range of estimates
On-feed Dec 1	100.0	99.1- 100.8
Placed in Nov	91.5	85.5- 95.2
Marketed in Nov	98.1	97.6- 102.3

Analyst	On-Feed Dec 1	Placements in Nov	Marketed in Nov
Allegiant Commodity Group	99.4	87.4	98.0
Allendale Inc.	100.6	95.2	98.2
HedgersEdge	99.1	85.5	98.3
Linn Group	100.0	94.6	102.3
Livestock Mktg Info Ctr	100.4	93.1	97.7
NFC Markets	99.7	89.6	98.2
Texas A&M Extension	100.8	95.0	97.6
U.S. Commodities	99.6	89.0	98.0

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For the week Kansas, Texas and Oklahoma haven't sold anything. Waiting for \$109 to \$110. Seeing Nebraska and Iowa finally taking in big cattle and getting docks. Next week look for bigger discounts on heavy cattle.

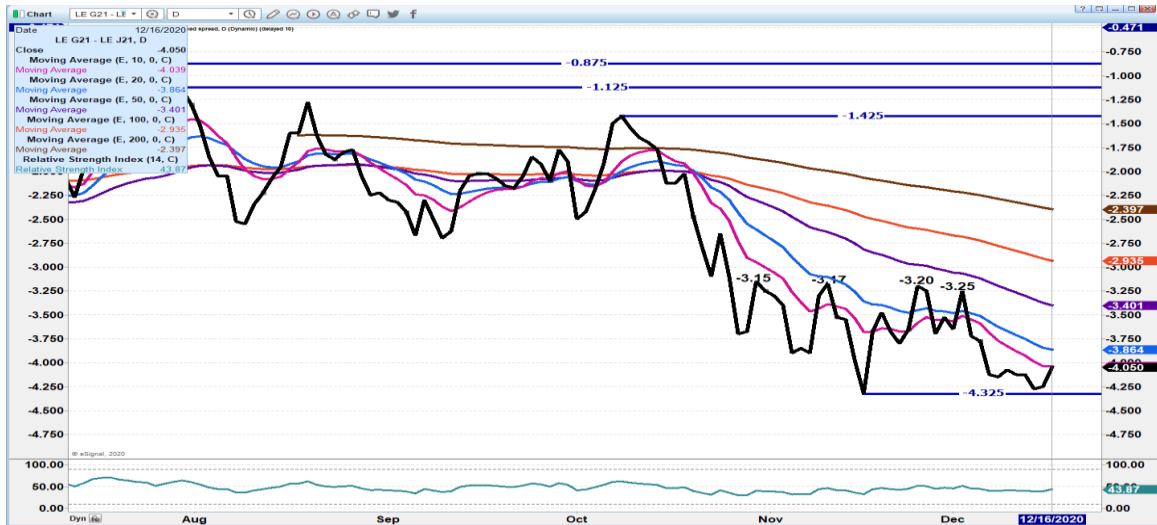
Live Cattle futures are being spread. For 75% of Wednesday's trade, February cattle and hog volume were almost identical. Volume is light. Traders in 2021 Feb and April don't understand how Feb and April can rally when boxed beef has been falling. For spreaders trade differentials and not price. A formula driven trade has no idea about fundamentals. 2021 live cattle are in a market time when trade volume is light, spreaders dominate market and as far as fundamentals, traders believe the Cattle On Feed Report should be bullish for cattle.

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As of December 8, 2020, dressed steer and heifer weights were 894.2 compared to previous week at 896.5 down 2.3 pounds from week ago and the same as last week, 21



pounds over a year ago. Grading percent was 81.9%, down compared to previous week at 81.9 %.

FEBRUARY 2021 LIVE CATTLE/APRIL 2021 LIVE CATTLE SPREAD - SPREAD HAS BEEN WIDENING IF IT CONTINUES TO WIDEN IT IS BEARISH

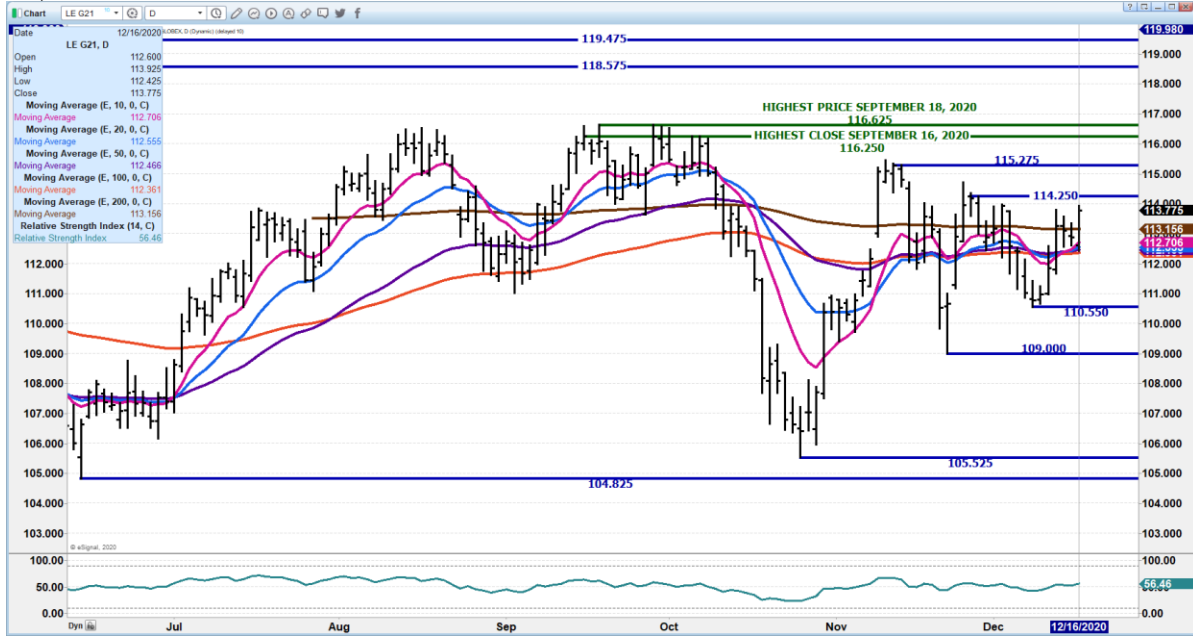


DECEMBER 2020 LIVE CATTLE - MOVED TO 10 DAY MOVING AVERAGE NEXT RESISTANCE AT 109.37 TO 110.07 SUPPORT AT 107.37 TO 106.60

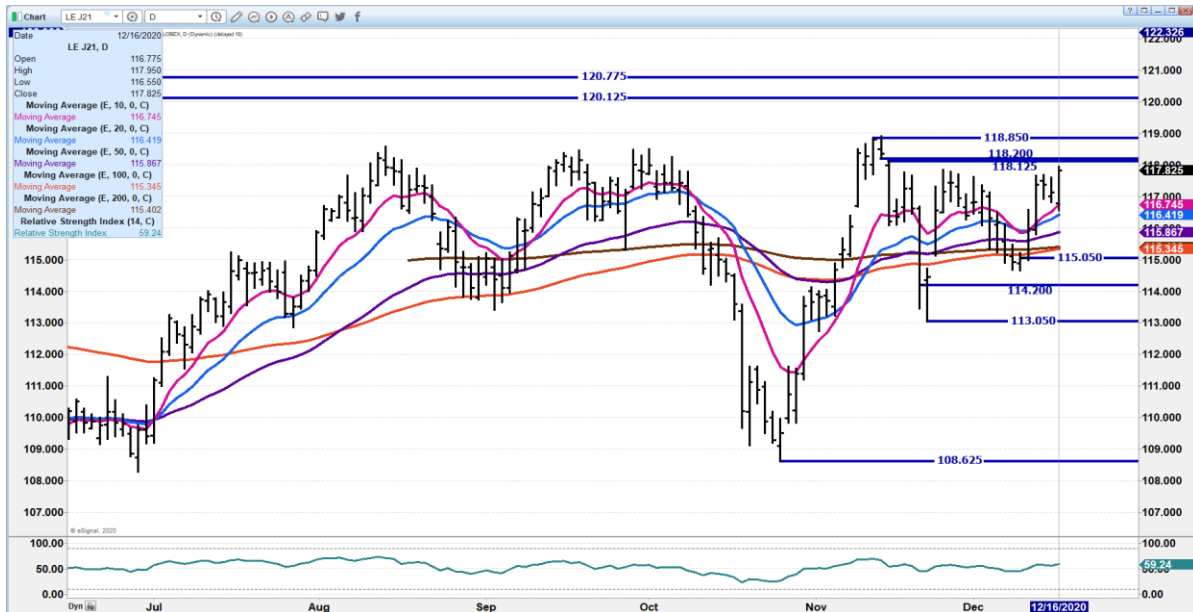




BRUARY 2021 LIVE CATTLE – 114.25 resistance to 115.27 Support at 112.37 Volume at 15,997



APRIL 2021 LIVE CATTLE = RESISTANCE GAP AT 118.00





Feeder Cattle

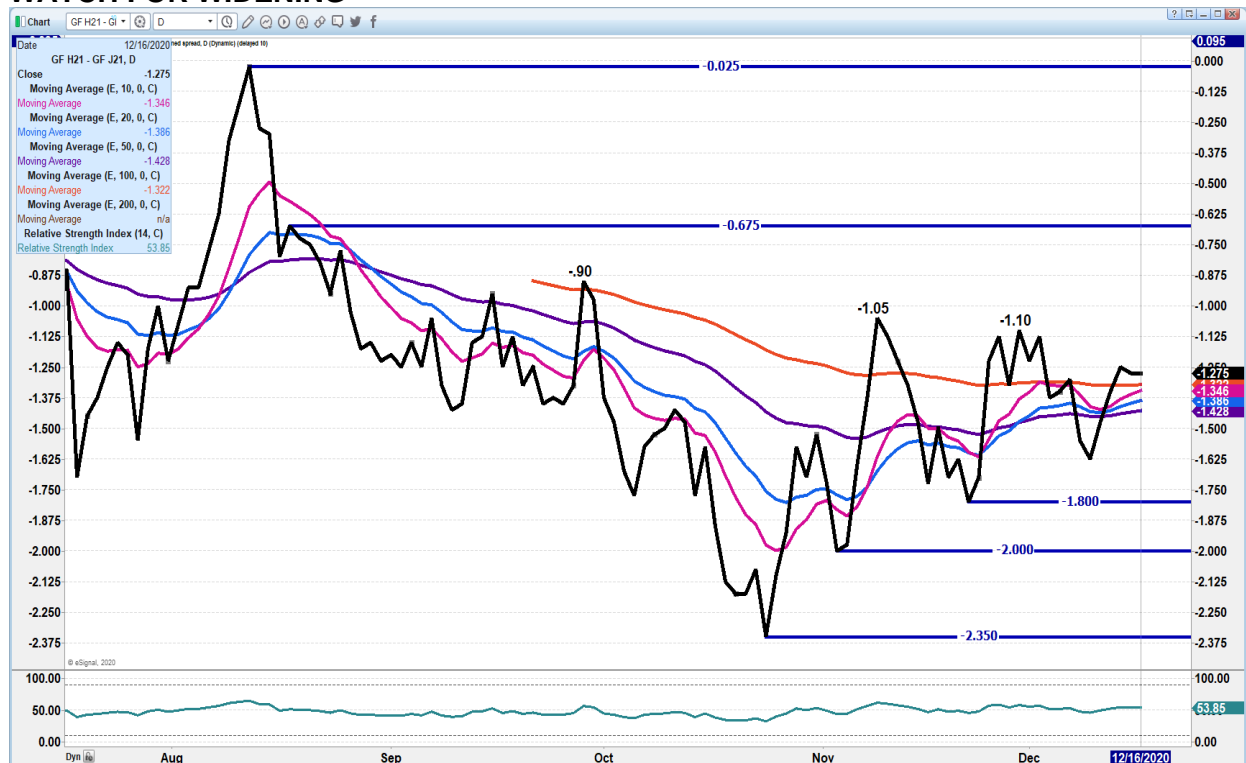
**THE CME FEEDER INDEX ON 12/15/2020 WAS 136.64 DOWN 5 CENTS FROM PREVIOUS DAY - UPDATE ON MORNING REPORT
JANUARY 2021 FEEDER CATTLE FUTURES SETTLED ON DECEMBER 16, 2020 AT \$140.85**

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FEEDER FUTURE VOLUME IS LIGHT. SPREADERS CONTROL FUTURES ESPECIALLY NOW WHEN JANUARY IS NOT IN THE SPOT TIME PERIOD.

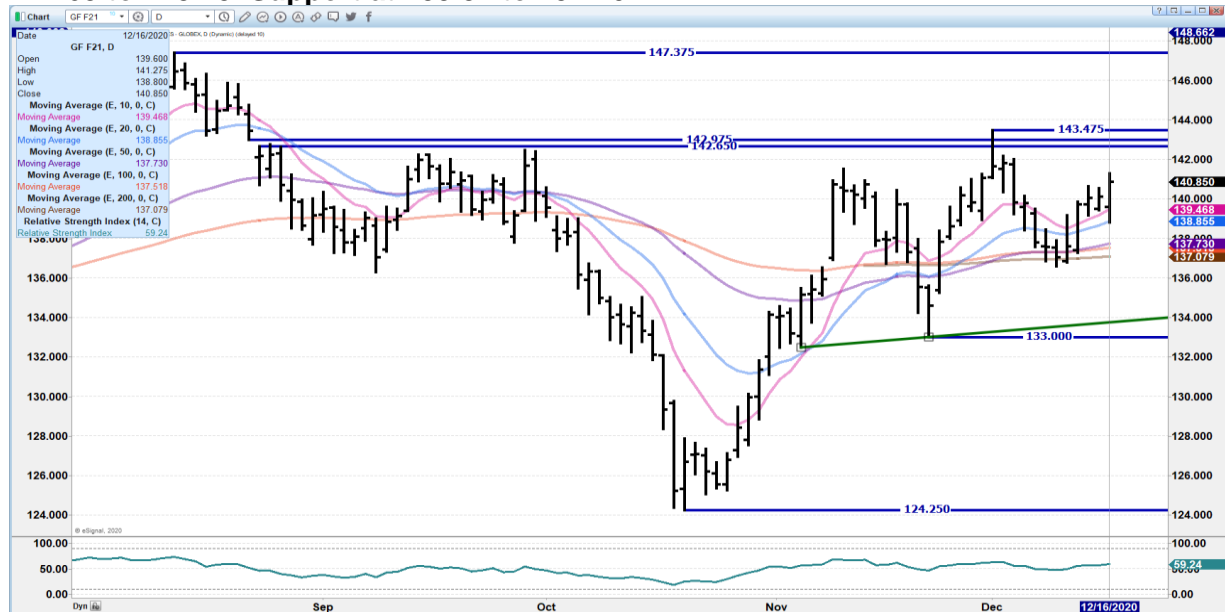
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MARCH 2021/APRIL 2021 FEEDER CATTLE SPREAD – SPREAD REMAINS TIGHT. WATCH FOR WIDENING

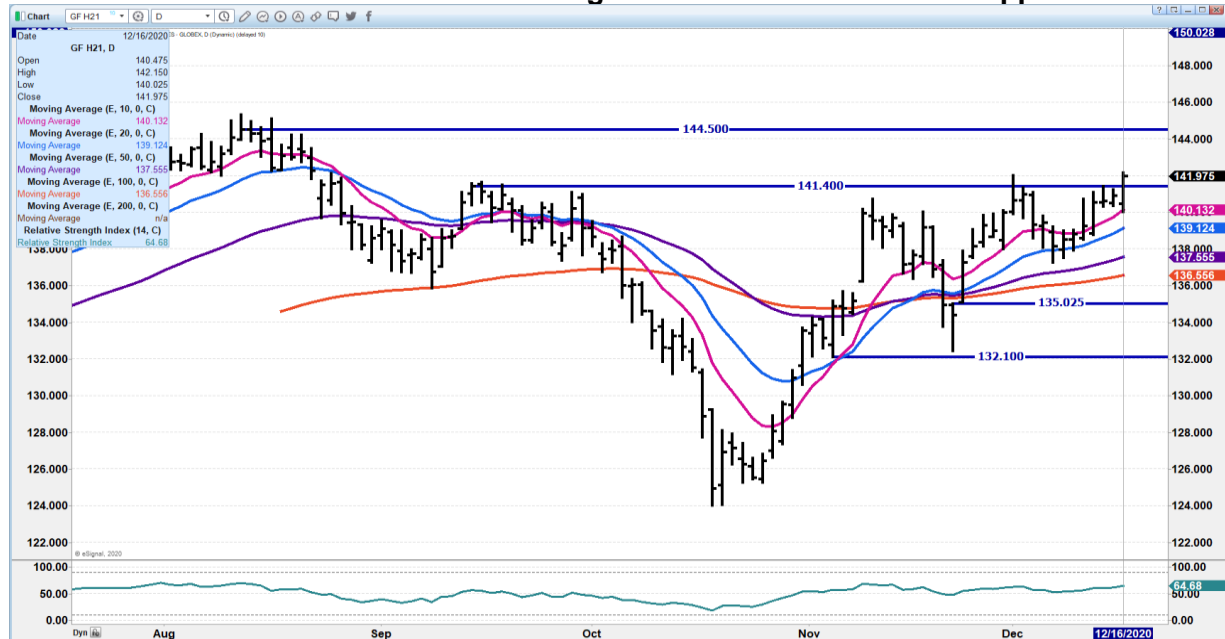




JANUARY 2021 FEEDER CATTLE – Outside day up on Wednesday. Next resistance at 142.65 to 143.75 Support at 139.87 to 137.20



MARCH 2021 FEEDER CATTLE - Strong close 144.50 resistance Support at 140.15



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LEAN HOGS

USDA ESTIMATED FEDERAL HOG SLAUGHTER

DECEMBER 16, 2020	483,000
WEEK AGO	496,000
YEAR AGO	496,000
WEEK TO DATE (EST)	1,464,000
SAME PERIOD LAST WEEK (EST)	1,479,000
SAME PERIOD LAST YEAR (ACT)	1,487,000

*****REVISED TUESDAY HOG SLAUGHTER..492,000 ** PREVIOUS ESTIMATE 497,000**

CME CASH HOG INDEX 12/14/2020 AT 65.06 UP 10 CENTS FROM PREVIOUS DAY

CME CASH PORK CUTOUT INDEX 12/15/2020 AT 77.27 DOWN 99 CENTS FROM PREVIOUS DAY

CME CASH FRESH BACON INDEX ON 12/11/2020 WAS 121.99 COMPARED TO 12/04/2020 WAS 126.66

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There is a saying about the weather that applies to way individual pork primals cuts trading day to day on the daily market. If you don't like the rain today, wait until tomorrow it will be sunny. If you see hams down one day, wait until the next day, they will be higher.

Pork cutout is down close to \$2.00 on the 5 day average. Loins down on the week and hams down compared to 5 day average. Pork movement was light on Wednesday only 285 loads. Packer profits are strong.

Watching individual pork primal cuts day to day will give false/ positive indicators. Trade the 5 day average and compare to previous week's change. If you give too much credence to individual cuts from one day to the next, it is like being on a teeter totter.

It is time when February is lead month but not spot month and anything can happen. During this time, specs often move markets with disregard to cash markets. February goes off the board around 60 days from now and it allows specs to do just about anything they want.



Pork is moving and for the year export sales are up due to China buying. But most of China's buying was in the first quarter of the year. For the 1st t quarter of 2020 China increased pork sales by 575% compared to 1st quarter of 2019. By the end of the 2nd quarter Chinese exports for 6 months were 377% and 3rd quarter or 9 months at 188% with October at 162%. China is definitely up on the year but throughout the year they have been steadily importing less and less.

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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

DECEMBER 16, 2020

LOADS OF PORK CUTS: 254.72

LOADS TRIM/PROCESSED PORK: 30.03

FINAL

Date	Loads	Carcass	Loin	Butt	Pic	Rib	Ham	Belly
12/16/2020	284.76	74.86	68.24	71.89	58.31	132.95	80.83	86.19
Change		0.72	-1.86	1.18	-1.39	-2.35	6.91	-2.46
Five Day Average --		76.83	69.89	69.76	60.90	132.19	85.58	88.33

FINAL

Date	Loads	Carcass	Loin	Butt	Pic	Rib	Ham	Belly
12/15/2020	424.16	74.14	70.10	70.71	59.70	135.30	73.92	88.65
Change		-2.89	0.95	1.71	-2.24	4.71	-14.81	1.82
Five Day Average --		77.38	70.05	68.88	61.14	132.22	86.89	89.61

FINAL PREVIOUS WEEK'S CLOSE

Date	Loads	Carcass	Loin	Butt	Pic	Rib	Ham	Belly
12/11/2020	407.09	79.71	72.48	69.23	60.77	131.53	92.53	92.36

**NATIONAL DAILY DIRECT HOG PRIOR DAY REPORT - SLAUGHTERED SWINE
SLAUGHTER DATA FOR DECEMBER 16, 2020**

Average live weight - 285.94

Average carcass - 214.28



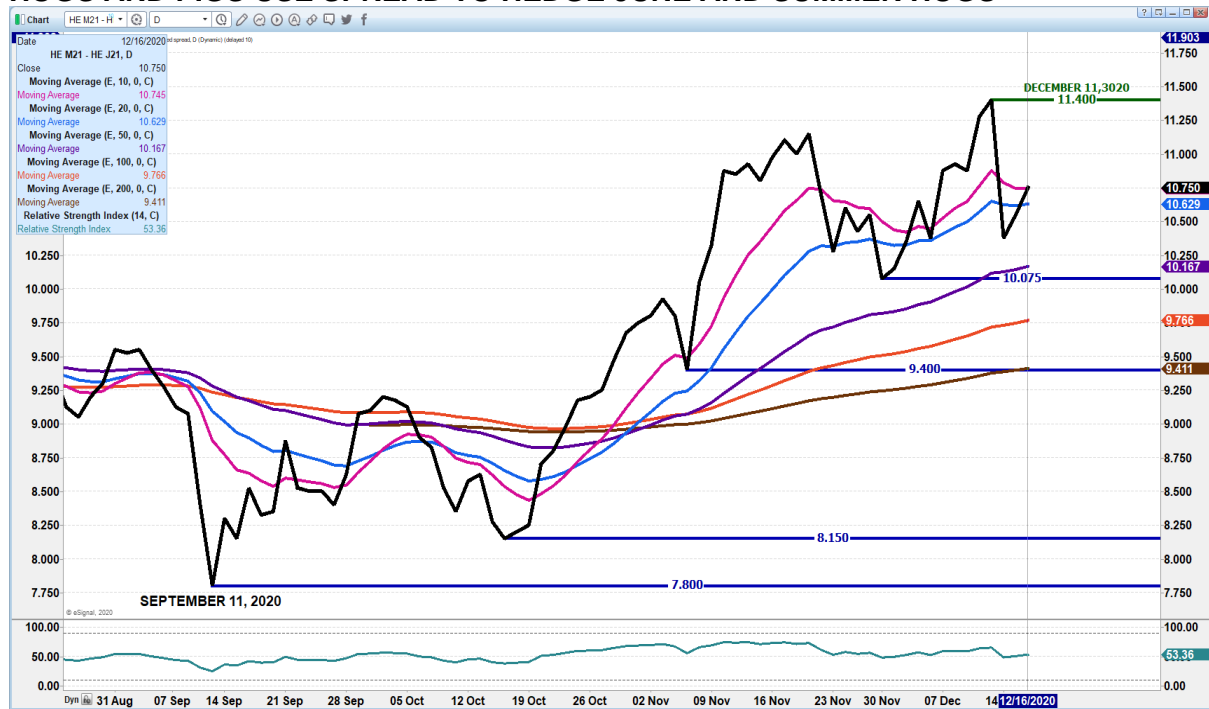
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DAILY DIRECT HOGS PLANT DELIVERED AS OF 1:30 PM DECEMBER 16, 2020
NATIONAL NEGOTIATED PURCHASE BASE CARCASS PRICES
Carcass Base Price: \$46.00 - \$56.00
Weighted Average: \$53.64
Change from Prior Day: unchanged
HOGS SOLD 10,816

SWINE OR PORK MARKET FORMULA PURCHASE (Including Packer Sold)
PRICE RANGE: \$52.83 - \$72.34
Weighted Average: \$63.53
Previous Day: \$63.84
HOGS SOLD: 135,723

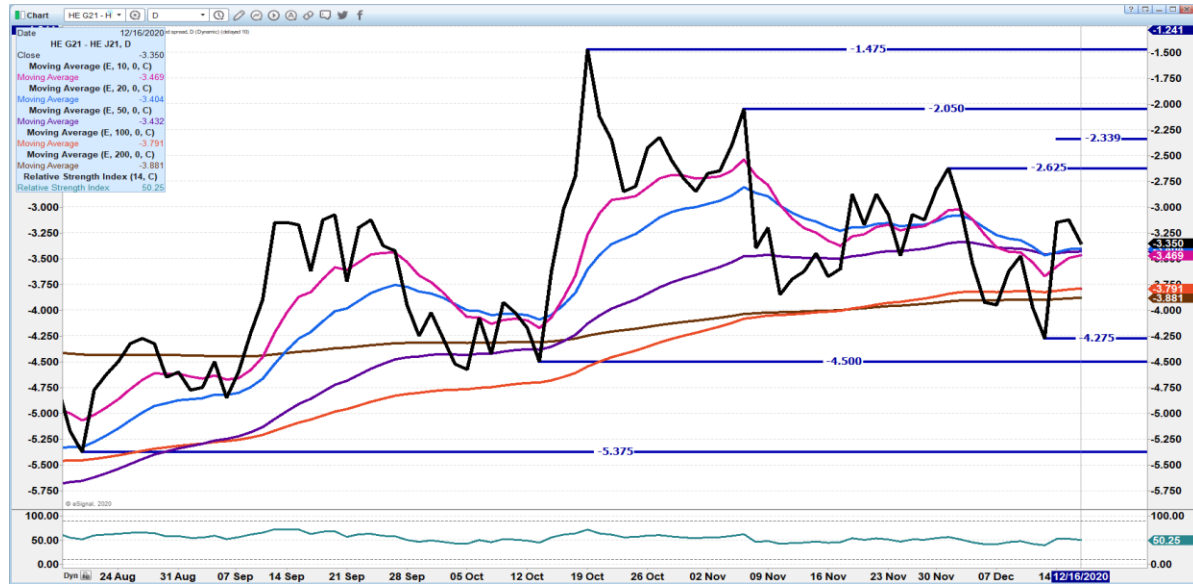
https://www.ams.usda.gov/mnreports/lm_hq203.txt

JUNE/APRIL LEAN HOG SPREAD – SPECS CONTINUE TO WIDEN JUNE OUT. BEFORE HOGS AND PIGS USE SPREAD TO HEDGE JUNE AND SUMMER HOGS





FEBRUARY/APRIL 2021 LEAN HOG SPREAD – NOW FAIRLY NORMAL WATCH FOR WIDENING



FEBRUARY 2021 LEAN HOGS – MOVED TO RESISTANCE 66.40 SUPPORT AT 65.07



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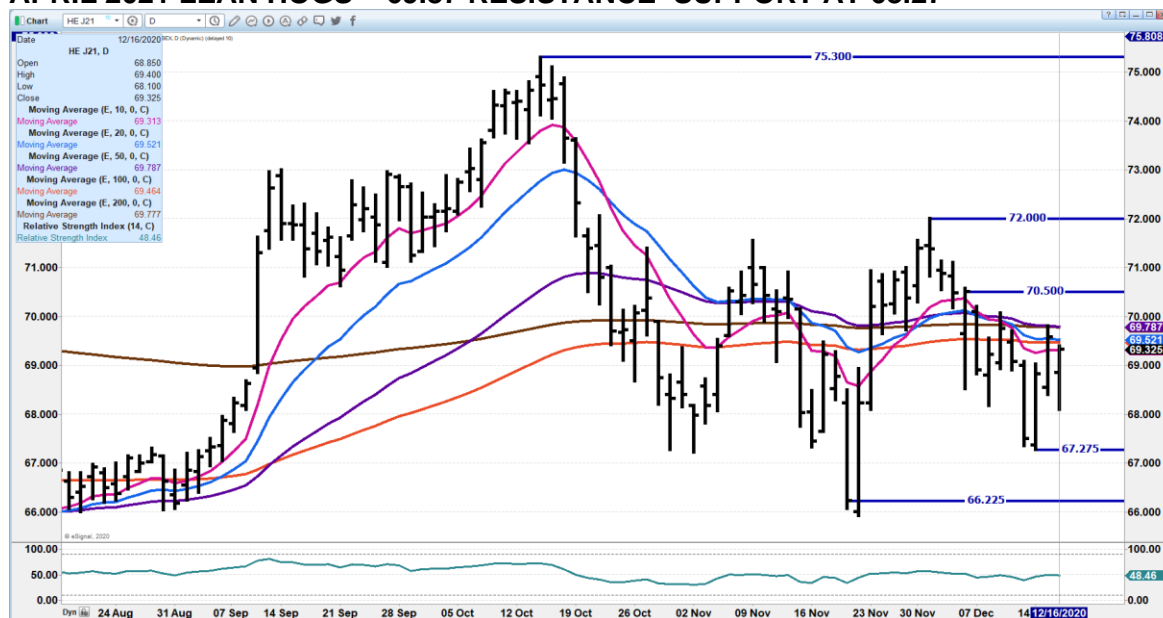
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APRIL 2021 LEAN HOGS – 69.87 RESISTANCE SUPPORT AT 68.27



BEEF: NET SALES OF 10,100 MT REPORTED FOR 2020 WERE UP NOTICEABLY FROM THE PREVIOUS WEEK, BUT DOWN 15 PERCENT FROM THE PRIOR 4-WEEK AVERAGE. INCREASES PRIMARILY FOR JAPAN (3,800 MT, INCLUDING DECREASES OF 800 MT), SOUTH KOREA (2,200 MT, INCLUDING DECREASES OF 1,300 MT), CANADA (1,700 MT, INCLUDING DECREASES OF 100 MT), MEXICO (700 MT, INCLUDING DECREASES OF 200 MT), AND CHINA (700 MT, INCLUDING DECREASES OF 200 MT), WERE OFFSET BY REDUCTIONS PRIMARILY FOR HONG KONG (200 MT) AND COLOMBIA (100 MT). FOR 2021, NET SALES OF 4,500 MT WERE PRIMARILY FOR SOUTH KOREA (1,300 MT), MEXICO (1,200 MT), JAPAN (800 MT), AND TAIWAN (500 MT). EXPORTS OF 19,300 MT WERE UP 6 PERCENT FROM THE PREVIOUS WEEK, BUT UNCHANGED FROM THE PRIOR 4-WEEK AVERAGE. THE DESTINATIONS WERE PRIMARILY TO SOUTH KOREA (4,800 MT), JAPAN (4,600 MT), MEXICO (2,900 MT), CHINA (2,400 MT), AND CANADA (1,300 MT).

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PORK: NET SALES OF 39,900 MT REPORTED FOR 2020 WERE UP 51 PERCENT FROM THE PREVIOUS WEEK AND FROM THE PRIOR 4-WEEK AVERAGE. INCREASES PRIMARILY FOR MEXICO (22,400 MT, INCLUDING DECREASES OF 900 MT), CHINA (11,600 MT, INCLUDING DECREASES OF 1,500 MT), CANADA (1,900 MT, INCLUDING DECREASES OF 400 MT), JAPAN (1,700 MT, INCLUDING DECREASES OF 200 MT), AND COLOMBIA (800 MT, INCLUDING DECREASES OF 200 MT), WERE OFFSET BY REDUCTIONS PRIMARILY FOR AUSTRALIA (300 MT). FOR 2021, NET SALES OF 44,300 MT WERE PRIMARILY FOR CHINA (26,100 MT), JAPAN (8,500 MT), SOUTH KOREA (4,600 MT), COLOMBIA (1,500 MT), AND MEXICO (1,100 MT). EXPORTS OF 42,000 MT WERE UNCHANGED FROM THE PREVIOUS WEEK, BUT UP 8 PERCENT FROM THE PRIOR 4-WEEK AVERAGE. THE DESTINATIONS WERE PRIMARILY TO MEXICO (14,600 MT), CHINA (12,800 MT), JAPAN (4,500 MT), SOUTH KOREA (3,400 MT), AND CANADA (1,800 MT).

CHARTS FROM ESIGNAL INTERACTIVE, INC.