



TUESDAY MORNING DECEMBER 29, 2020 LIVESTOCK REPORT

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CATTLE

USDA FEDERAL CATTLE SLAUGHTER

DECEMBER 25, 2020	0
WEEK AGO	117,000
YEAR AGO	121,000
SATURDAY 12/26/2020	1,000 - A WEEK AGO 69,000, YEAR AGO 82,000
WEEK TO DATE (EST)	419,000
SAME PERIOD LAST WEEK (EST)	659,000
SAME PERIOD LAST YEAR (ACT)	475,000
2020 YEAR TO DATE	31,706,000
*YEAR TO DATE	32,841,000

DECEMBER 28, 2020	119,000
WEEK AGO	119,000
YEAR AGO	119,000

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	CHOICE	SELECT
BOXED BEEF FINAL	207.82	196.65
CHANGE FROM PRIOR DAY	0.28	(1.28)
CHOICE/SELECT SPREAD:		11.17
TOTAL LOAD COUNT		160
5 DAY SIMPLE AVERAGE:	209.46	196.55

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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 28, 2020

Primal Rib	348.81	291.92
Primal Chuck	177.05	175.30
Primal Round	184.14	186.15
Primal Loin	262.12	240.77
Primal Brisket	156.66	153.93
Primal Short Plate	110.59	110.59
Primal Flank	94.97	96.68



LOAD COUNT AND CUTOFF VALUE SUMMARY FOR PRIOR 6 DAYS

Date	Choice	Select	Trim	Grinds	Total	CHOICE 600-900	SELECT 600-900
12/23	68	23	10	18	119	207.54	197.93
12/22	79	23	10	33	145	210.67	199.59
12/21	71	16	14	9	110	210.92	197.26
12/18	76	18	13	7	115	208.63	194.27
12/17	64	18	7	14	103	209.51	193.70

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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	85.68 loads	3,427,035 pounds
Select Cuts	35.93 loads	1,437,101 pounds
Trimming	23.03 loads	921,151 pounds
Ground Beef	15.80 loads	632,086 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)

DELIVERY NOTICE SERVED – DECEMBER 2020 - LIVE CATTLE
SETTLEMENT: DECEMBER 28, 2020 - \$113.05
OLDEST LONG: 11/23/20 SETTLEMENT AT \$110.00
0 DELIVERIES

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USDA POSTED CATTLE PRICES ON 12/28/2020
IA/MN – CASH – 70 head mixed steers and heifers 109.00 Dressed.- 43 head 172.00.
NE - CASH – No Reportable Trade.
KS – CASH No Reportable Trade.
TX/OK/NM – No Reportable Trade.
CO – Information not available due to confidentiality

*****National Daily Direct Cattle 12/28/2020**
(5 day accumulated weighted avg)
Weight Price Head



Live Steer:	1477	\$108.45	46,206
Live Heifer:	1315	\$109.11	20,274
Dressed Steer:	970	\$171.32	18,189
Dressed Heifer:	865	\$171.58	4,660

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Beginning mid-December packers were pulling forward contracted and their own cattle that were scheduled for January deliveries. Cattle that should be scheduled for kill in January are being killed this week. Total US cattle weights are down because packers are pulling contracted cattle and their own cattle forward in South and Southwest. Thursday steers sold in Iowa/Minnesota averaging 1,539.8 pounds. Cattle in Texas were moving at 1336.5 pounds.

Normally, beef sales slow in January and the extra weight cattle in the North and Midwest are not going to help prices except if they pay premiums for cattle they want. Expect to see buyers discounting overfed cattle. Until big cattle are cleaned up, premiums could be paid for right weight cattle that may or may not be included in USDA prices, a cash grade premium. Packers are also indiscriminate how they are buying cattle in the South and Southwest. As long as cattle aren't too heavy, buyers pay the same for steers and heifers and Choice and Select.

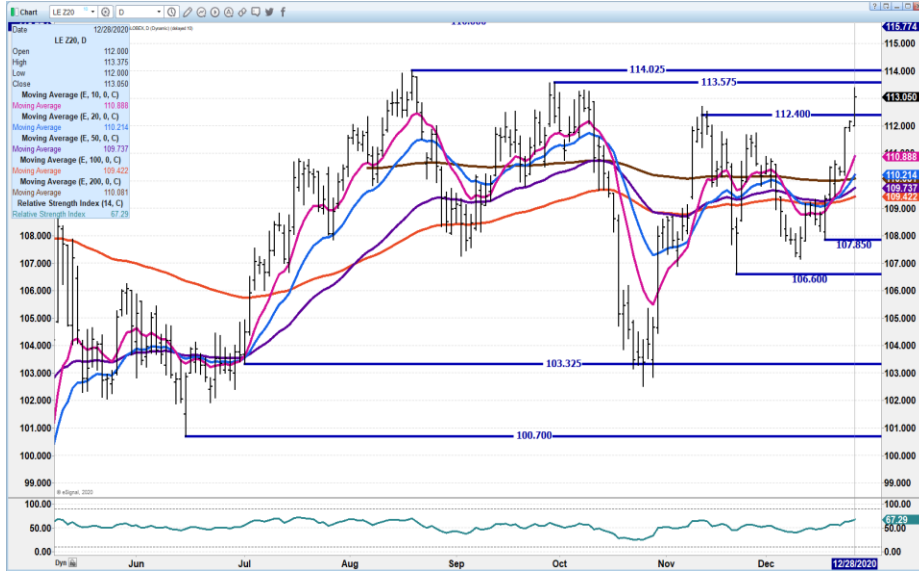
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FEBRUARY 2021 LIVE CATTLE/APRIL 2021 LIVE CATTLE SPREAD - WATCHING TO SEE IF WIDENS OR NARROWS.

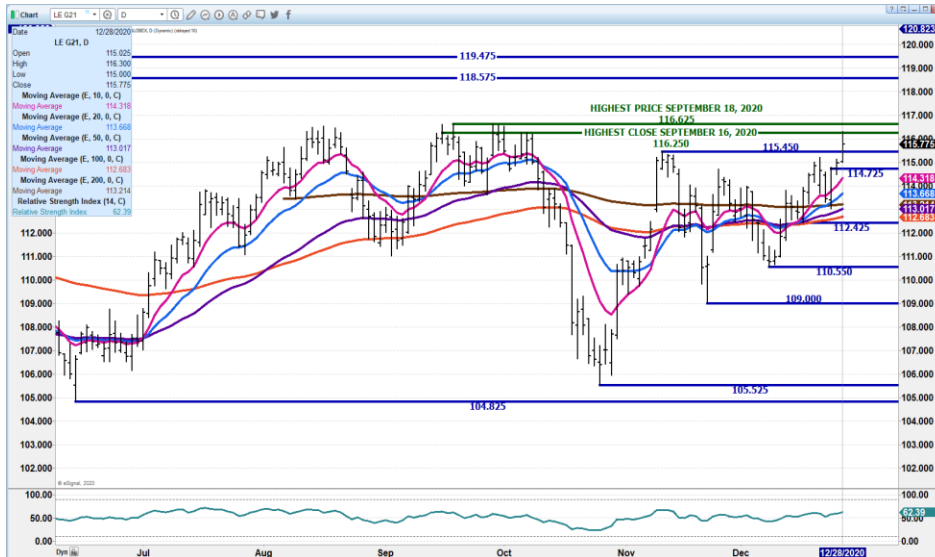




DECEMBER 2020 LIVE CATTLE - RESISTANCE AT 113.75 TO 114.05 SUPPORT AT 110.07 OPEN INTEREST 852



FEBRUARY 2021 LIVE CATTLE – REACHED HIGH OF SEPTEMBER 16TH Next resistance 116.62 Gap at 118.75 to 119.47 likely target on upside Support at 114.30 to 112.42 VOLUME 18116

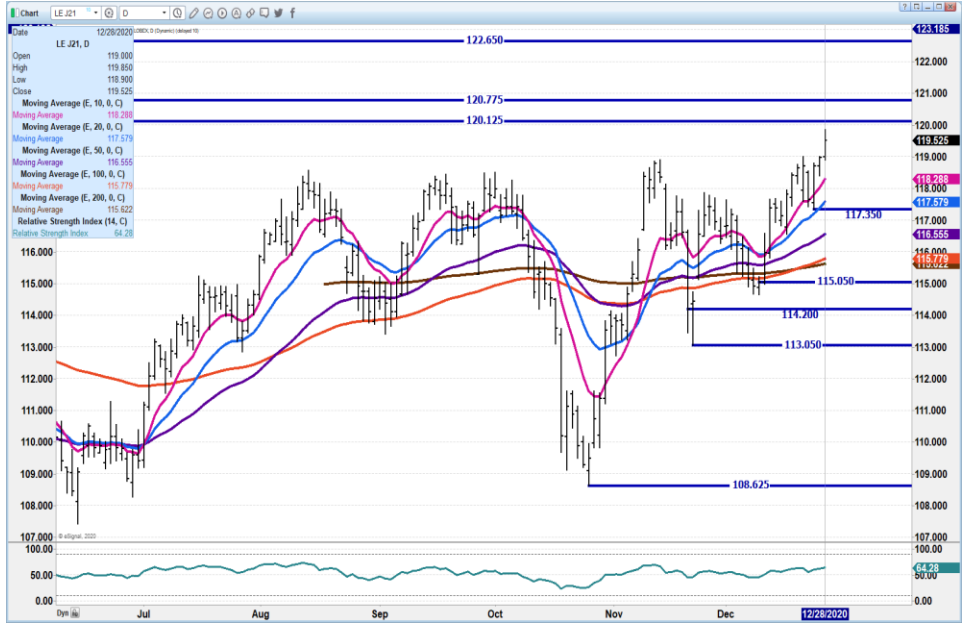


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APRIL 2021 LIVE CATTLE - GAP AT 120.12 TO 120.77 SUPPORT AT 118.25



Feeder Cattle

THE CME FEEDER INDEX ON 12/25/2020 WAS 139.82 DOWN 17 FROM PREVIOUS DAY -

JANUARY 2021 FEEDER CATTLE FUTURES SETTLED ON DECEMBER 28, 2020 AT \$141.00

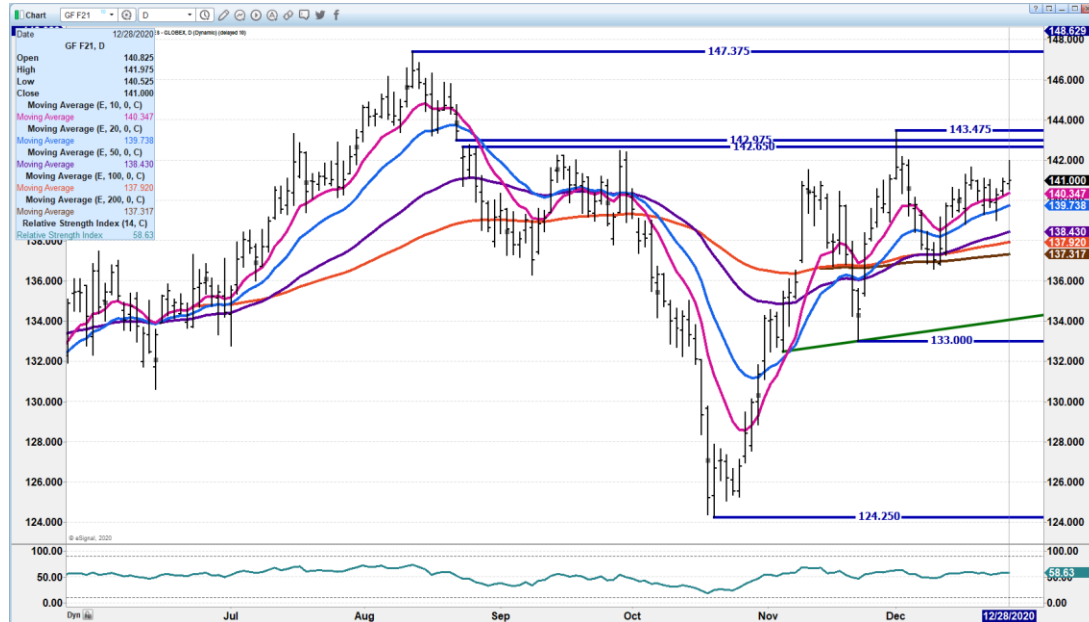
WITH 9 PERCENT FEWER PLACEMENTS IT SEEMS AS THOUGH FEEDER CATTLE PRICES SHOULD BE HIGHER. HOWEVER, THE PLACEMENT GROUP WEIGHING 600 POUNDS OR LESS WAS THE LARGEST PLACEMENTS, 520,000 HEAD, FOLLOWED BY 460,000 HEAD WEIGHING 600 POUNDS TO 699 POUNDS. SO, THERE SHOULD BE PLENTY OF CATTLE TO KILL LATE FEBRUARY/ MARCH ESPECIALLY IF FEEDLOTS KEEP SELLING ON THE HEAVY SIDE, NOT OVERWEIGHT BUT HEAVY. CURRENTLY, FEEDER FUTURES HAVE FAIRLY NARROW SPREADS. MOVING FORWARD, FUTURES SHOULD WIDEN MORE THAN THERE ARE NOW. IF THIS IS THE CASE, USE WIDE SPREADS TO HEDGE.



SPREAD REMAINS NARROW LOOK FOR WIDENING GOING INTO 2021



JANUARY 2021 FEEDER CATTLE – RESISTANCE AT 143.50 SUPPORT AT 140.37



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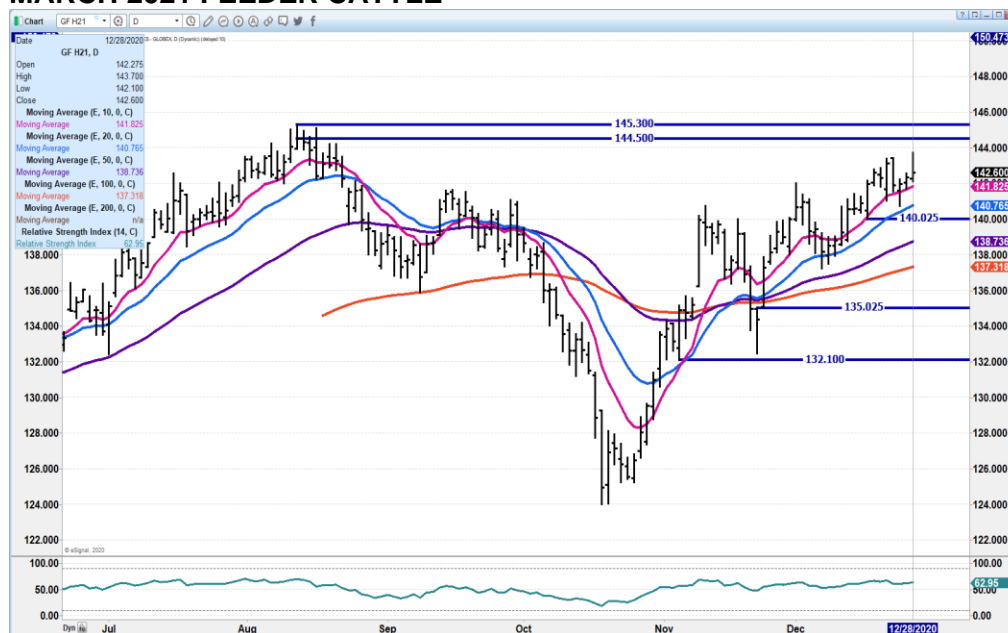
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MARCH 2021 FEEDER CATTLE –



LEAN HOGS

USDA ESTIMATED FEDERAL HOG SLAUGHTER

DECEMBER 25, 2020	0	
WEEK AGO	476,000	
YEAR AGO	484,000	
SATURDAY 12/26/2020	65,000-	A WEEK AGO 380,000 - YEAR AGO 413,000
WEEK TO DATE (EST)	1,740,000	
SAME PERIOD LAST WEEK (EST)	2,787,000	
SAME PERIOD LAST YEAR (ACT)	2,041,000	
2020 YEAR TO DATE	128,852,000	
2019 *YEAR TO DATE	128,311,000	
PERCENT CHANGE YEAR TO DATE	0.4%	

USDA ESTIMATED FEDERAL HOG SLAUGHTER

DECEMBER 28, 2020	490,000
WEEK AGO	487,000
YEAR AGO	485,000

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CME CASH HOG INDEX 12/22/2020 AT 61.62 DOWN 42 CENTS FROM PREVIOUS DAY

CME CASH PORK CUTOUT INDEX 12/23/2020 AT 70.95 DOWN 9 CENTS FROM PREVIOUS DAY

CME CASH FRESH BACON INDEX ON 12/25/2020 WAS 117.08 COMPARED TO 12/18/2020 WAS 117.35

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Looks like it was a good weekend for pork sales at least in the morning. All primals were up on early cutout Monday but does little to change 5 day average. Although there is little trade volume and open interest on the Pork Cutout futures, the reason 5 day composite pricing is used because it is how majority of pork is priced. The volatility of individual primal cuts is on small amounts of pork and packers and buyers don't share reasons for price volatility on minuscule amount of primal cuts plus prices vary on sub-primal cuts. .

Primal meat prices vary according to sub-primal cuts. There may be a buyer that needs Fresh Bone In shanks cuts, another that wants 20 to 23 pound trimmed select hams and another needs 20 to 23 pound boxes and each is priced differently. There are 47 various ham products. If a buyer wants the highest priced sub-primal cut and there are fewer buyers needing less expensive sub primals, there will be a jump in prices and later in the day there are more cheaper cuts sold and fewer high priced cuts sold, prices go down. There are 43 different ways loins are sold.

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.

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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 28, 2020**



LOADS OF PORK CUTS: 539.67
LOADS TRIM/PROCESSED PORK: 42.86

FINAL

Date	Loads	Carcass	Loin	Butt	Pic	Rib	Ham	Belly
12/28/2020	582.52	71.85	74.14	74.06	56.01	143.14	56.20	93.40
Change		2.51	5.34	1.51	0.37	2.43	0.43	6.18
Five Day Average --		70.63	70.62	71.50	56.23	139.45	58.66	89.65

NOON

Date	Loads	Carcass	Loin	Butt	Pic	Rib	Ham	Belly
12/28/2020	352.65	75.43	73.75	74.51	58.94	142.65	72.38	89.47
Change		6.09	4.95	1.96	3.30	1.94	16.61	2.25
Five Day Average --		71.35	70.54	71.59	56.82	139.35	61.89	88.86

FINAL – LAST PRICES QUOTED BEFORE CHRISTMAS BREAK

Date	Loads	Carcass	Loin	Butt	Pic	Rib	Ham	Belly
12/23/2020	280.91	69.34	68.80	72.55	55.64	140.71	55.77	87.22
Change		1.18	-0.90	2.36	1.59	0.74	1.94	1.81
Five Day Average --		70.91	70.48	71.23	57.21	137.70	60.58	88.63

NATIONAL DAILY DIRECT HOG PRIOR DAY REPORT - SLAUGHTERED SWINE

Special Note: *INCLUDES DATA FOR 12/23/20-12/26/20*** Slaughter Data for**

Wednesday, December 23, 2020

Average live weight - 286.87

Average carcass - 215.25

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DAILY DIRECT HOGS PLANT DELIVERED AS OF 1:30 PM DECEMBER 23, 2020

NATIONAL NEGOTIATED PURCHASE BASE CARCASS PRICES

Carcass Base Price: \$44.00 - \$52.00

Weighted Average: \$50.04

Change from Prior Day: 0.39 lower

HOGS SOLD 10,857

SWINE OR PORK MARKET FORMULA PURCHASE (Including Packer Sold)

PRICE RANGE: \$50.31 - \$70.42

Weighted Average: \$59.63

Previous Day: \$59.67

HOGS SOLD: 235,615

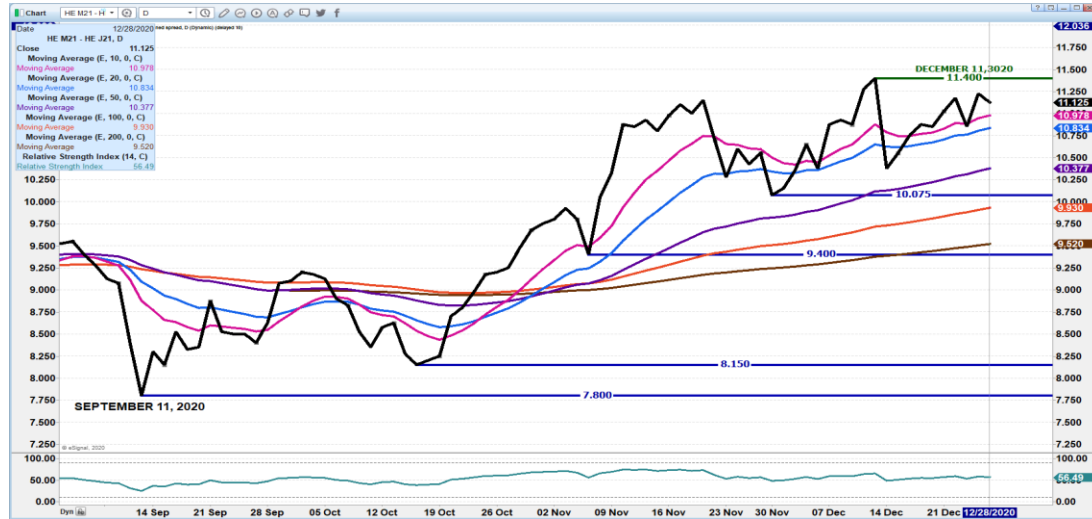


https://www.ams.usda.gov/mnreports/lm_hq203.txt

FEBRUARY/APRIL 2021 LEAN HOG SPREAD – SPREAD WIDENING IS BEARISH



JUNE/APRIL LEAN HOG SPREAD – SPECS LIKELY TO CONTINUE TO WIDEN OUT THIS SPREAD. ALMOST ALL SPEC TRADING WITH A LITTLE HEDGING ON SUMMER MONTHS

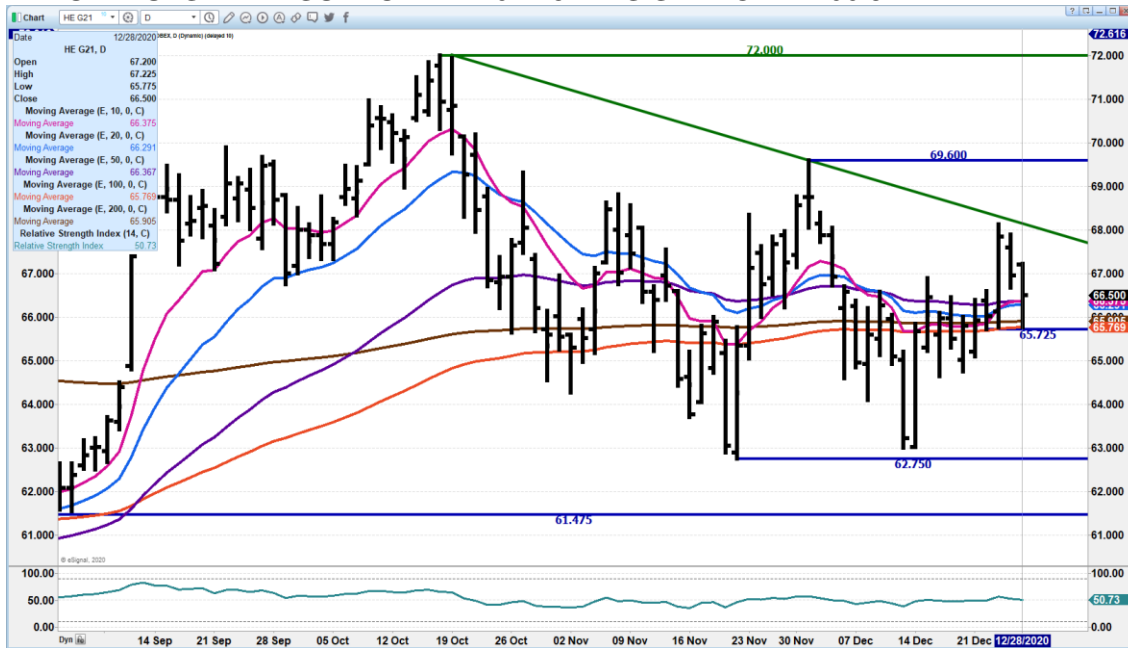


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FEBRUARY 2021 LEAN HOGS – STRONG SUPPORT ON YESTERDAY’S LOWS A CLOSE BELOW PUTS NEXT SUPPORT AT 62.75 RESISTANCE AT 66.97



CHARTS FROM ESIGNAL INTERACTIVE, INC.