



WEDNESDAY MORNING JANUARY 6, 2021 LIVESTOCK REPORT

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CATTLE

USDA FEDERAL CATTLE SLAUGHTER

JANUARY 05 , 2021	118,000
WEEK AGO	116,000
YEAR AGO	123,000
WEEK TO DATE (EST)	230,000
SAME PERIOD LAST WEEK (EST)	235,000
SAME PERIOD LAST YEAR (ACT)	244,000

****Revised Monday Cattle Slaughter..112,000** Previous Estimate 115,000**

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	CHOICE	SELECT
BOXED BEEF FINAL	205.90	196.49
CHANGE FROM PRIOR DAY	(3.97)	(0.04)
CHOICE/SELECT SPREAD:		9.41
TOTAL LOAD COUNT		204
5 DAY SIMPLE AVERAGE:	209.69	196.83

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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 JANUARY 5, 2021

Primal Rib	337.11	285.55
Primal Chuck	184.63	182.01
Primal Round	178.68	186.51
Primal Loin	254.97	234.26
Primal Brisket	146.71	146.66
Primal Short Plate	115.98	115.98
Primal Flank	95.52	92.35



FINAL JANUARY 04, 2021

Primal Rib	366.70	292.70
Primal Chuck	180.53	180.93
Primal Round	182.28	183.56
Primal Loin	261.15	235.62
Primal Brisket	147.94	153.34
Primal Short Plate	111.13	111.13
Primal Flank	94.80	90.33

LOAD COUNT AND CUTOFF VALUE SUMMARY FOR PRIOR 5 DAYS

Date	Choice	Select	Trim	Grinds	Total	CHOICE	SELECT
						600-900	600-900
01/04	60	20	8	14	102	209.87	196.53
12/31	87	34	11	12	144	209.35	194.97
12/30	81	21	16	23	141	210.53	199.86
12/29	92	18	11	22	144	210.30	195.48
12/28	86	36	23	16	160	207.82	196.65
12/23	68	23	10	18	119	207.54	197.93
12/22	79	23	10	33	145	210.67	199.59

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	135.48 loads	5,419,024 pounds
Select Cuts	24.53 loads	981,310 pounds
Trimming	13.26 loads	530,389 pounds
Ground Beef	31.21 loads	1,248,421 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 01/05/2021

IA/MN – CASH – No Reportable Trade Dressed.- 175.00 ON 80 HEAD

NE - CASH – No Reportable Trade. Dressed. No Reportable Trade.

KS – CASH No Reportable Trade.



TX/OK/NM – No Reportable Trade.
CO – No Reportable Trade.

*****National Daily Direct Cattle 01/05/2021**
5 day accumulated weighted avg)

	Weight	Price	Head
Live Steer:	1479	\$111.39	31,191
Live Heifer:	1337	\$111.21	16,564
Dressed Steer:	965	\$175.62	11,315
Dressed Heifer:	834	\$176.08	2,610

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Choice Boxed beef prices took a big hit Tuesday down \$3.97 and it appears with load size of 204 that sellers were dumping beef especially Choice beef. Big ground beef movement indicates consumers are buying cheap products and with drop close to \$30 fall in rib sections any demand that occurred for holidays in 2020 is over. Grilling season is a long way from now and with vaccinations nowhere near expectations, COVID and current surge in COVID isn't putting buying expensive primal cuts on too many consumers minds.

Heavy weight cattle is still a problem in the Midwest and until they are cleaned up will be a problem. Look for deeper discounts.

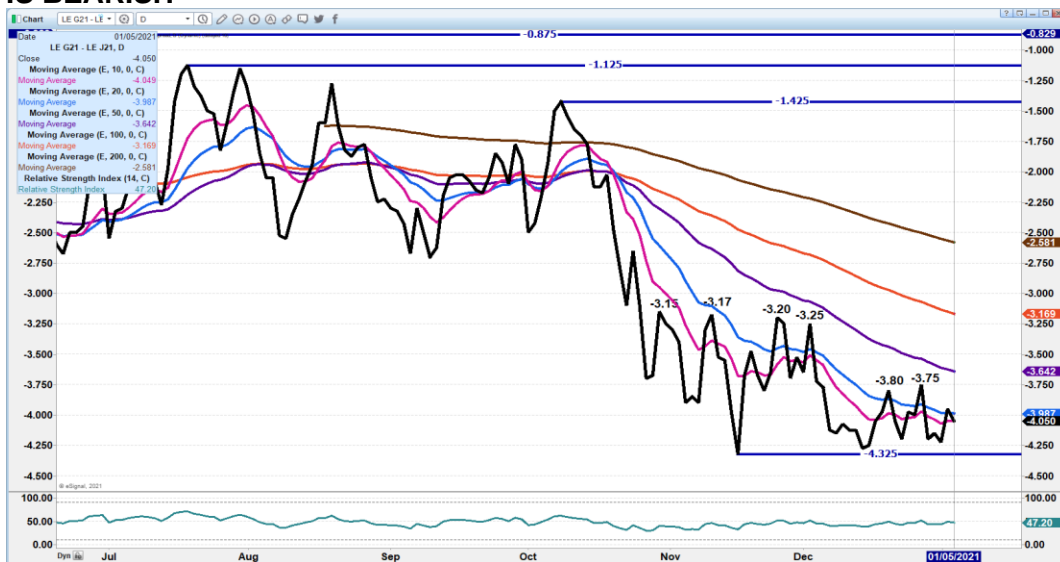
Futures up Tuesday partially recovering some of losses from Monday but mostly due to new big fund money entering commodities as money is allocated the first of the year. It is now a non-spot month and it is time spec traders can and often do take control. Throughout December cattle were bear spreading and the futures showed why.

International export competition is going to hurt US meat exports in 2021

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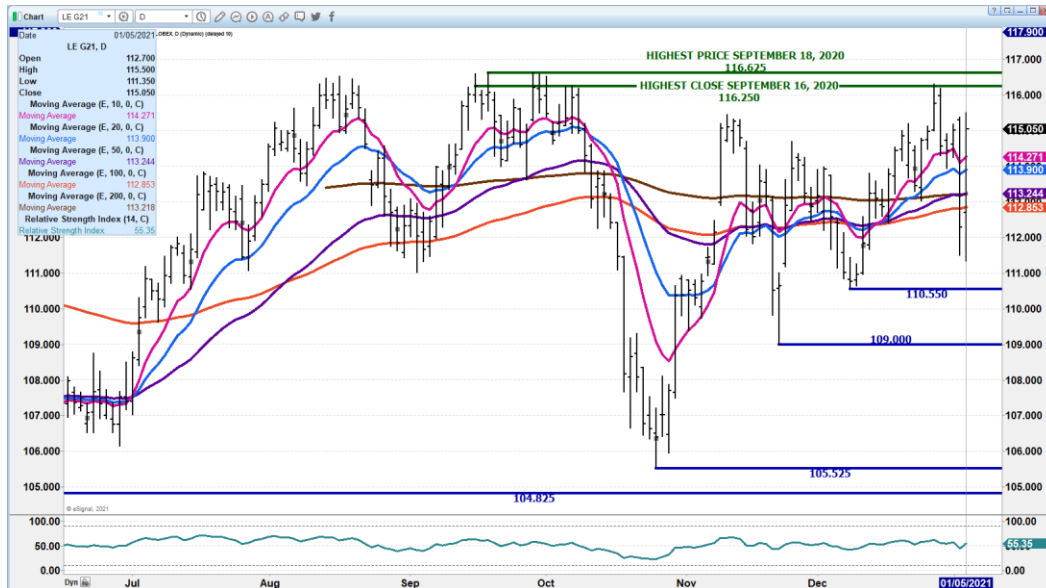
FEBRUARY 2021 LIVE CATTLE/APRIL 2021 LIVE CATTLE SPREAD – SPREAD WIDENING IS BEARISH



FEBRUARY 2021 LIVE CATTLE – HEAVY VOLUME WITH 30,450 CONTRACTS . Support 110.55 Resistance at 116.25 TO 116.62



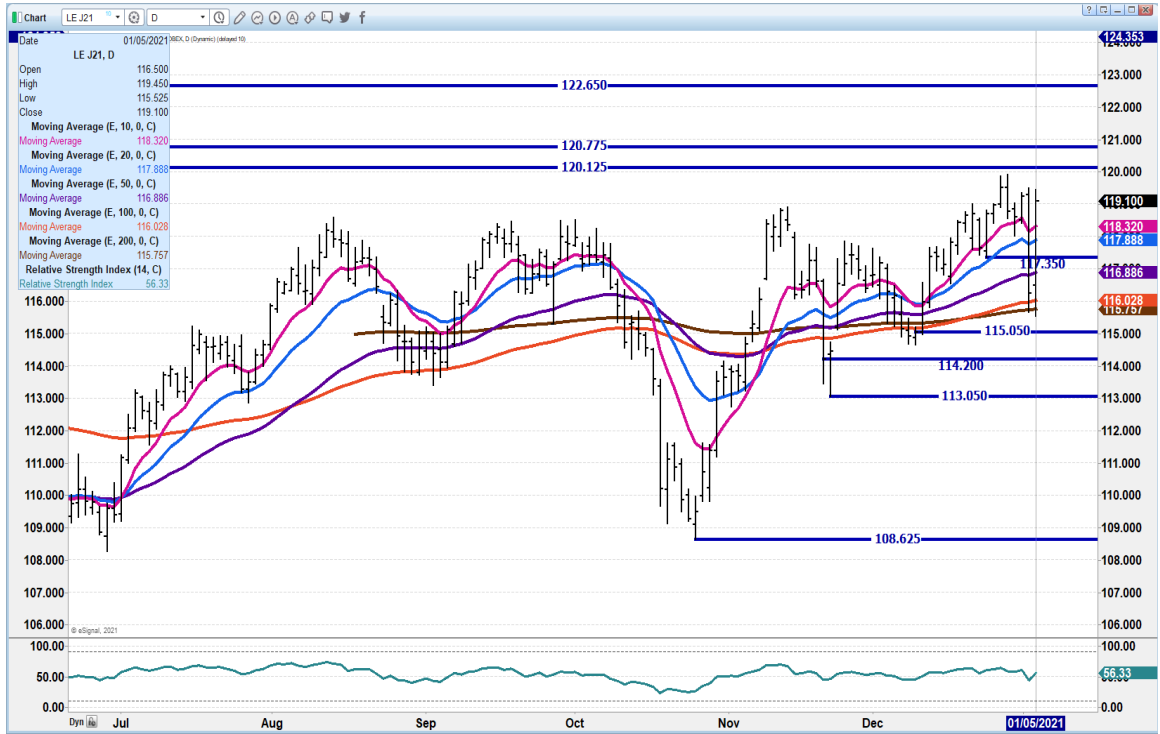
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APRIL 2021 LIVE CATTLE - SUPPORT AT 115.67 TO 115.05 RESISTANCE AT 120.12 TO 120.77

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Feeder Cattle

THE CME FEEDER INDEX ON 01/04/2020 WAS 135.3 DOWN 1.42 FROM PREVIOUS DAY

JANUARY 2021 FEEDER CATTLE FUTURES SETTLED ON JANUARY 5, 2021 AT \$136.67

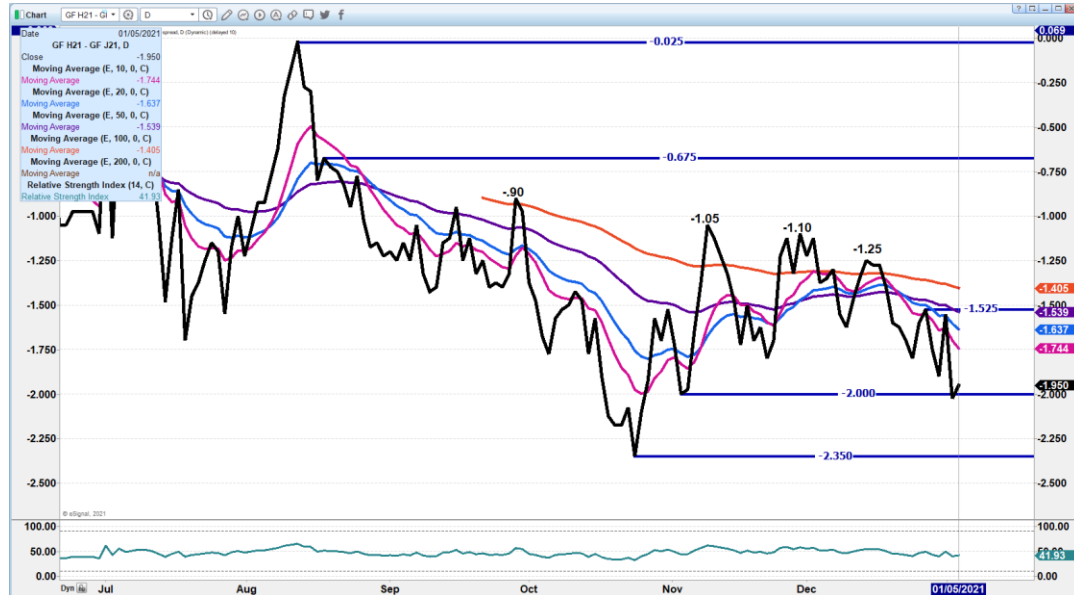
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PACKERS ARE NOT PUSHING FOR FORWARD CONTRACTS AND IT IS ONE REASON FEEDER CATTLE AREN'T MOVING UP. MIDWEST PRODUCERS HAVE BEEN KEEPING CATTLE LONGER INSTEAD OF REPLACING THEM OPTING TO SELL CORN IN 2021 INSTEAD F FEEDING CATTLE.

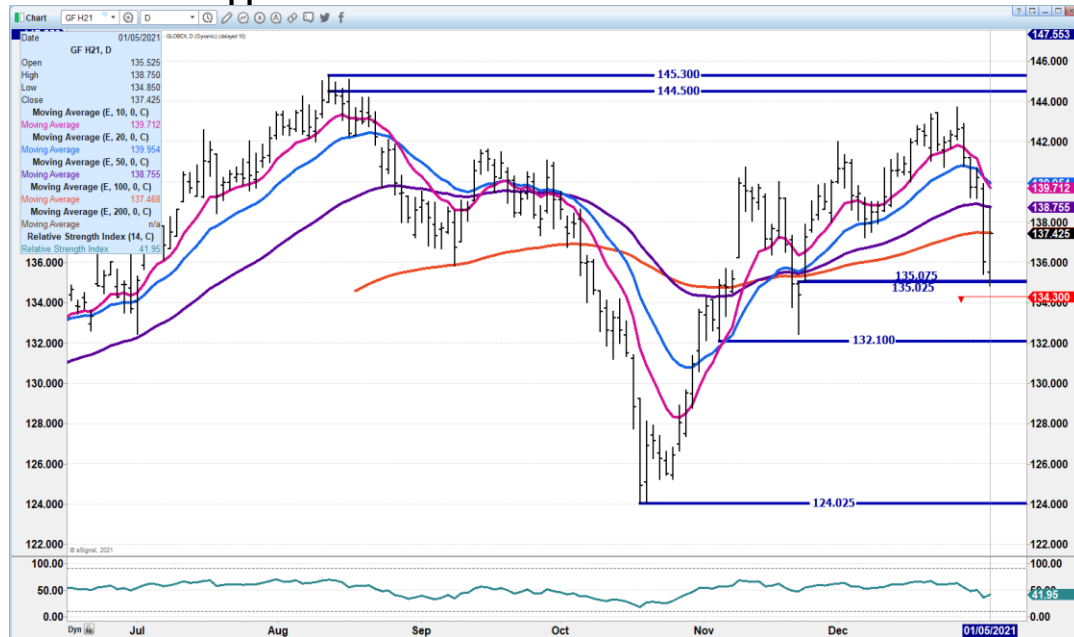
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MARCH 2021/APRIL 2021 FEEDER CATTLE SPREAD - SPREAD WIDENING IS BEARISH



MARCH 2021 FEEDER CATTLE – volume 7934 which is big for feeder cattle. Resistance at 138.80 TO Support at 135.02 to 132.10

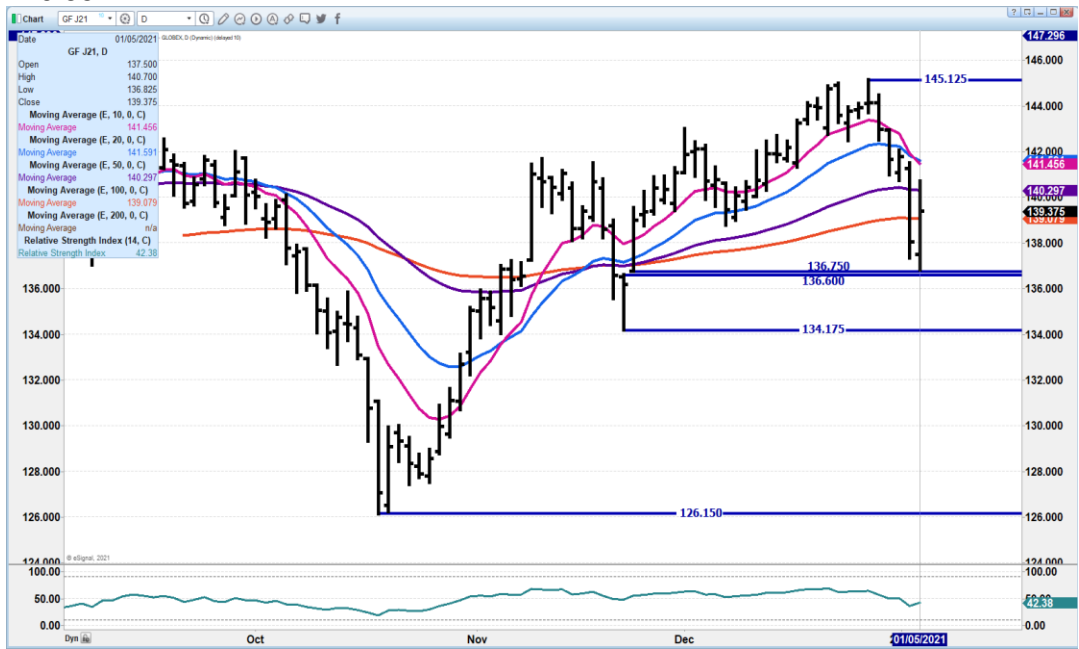


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APRIL 2021 FEEDER CATTLE – support at 136.60 to 134.17 Resistance at 139.07 to 140.33



LEAN HOGS

USDA ESTIMATED FEDERAL HOG SLAUGHTER

JANUARY 05, 2021	489,000
WEEK AGO	451,000
YEAR AGO	497,000
WEEK TO DATE (EST)	979,000
SAME PERIOD LAST WEEK (EST)	941,000
SAME PERIOD LAST YEAR (ACT)	994,000

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CME CASH HOG INDEX 12/31/2020 AT 60.62 UP 65 CENTS FROM PREVIOUS DAY



CME CASH PORK CUTOUT INDEX 01/04/2021 AT 74.25 UP 1.34 CENTS FROM PREVIOUS DAY

CME CASH FRESH BACON INDEX ON 01/01/2021 WAS 123.79 COMPARED TO 12/25/2020 WAS 117.08

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Packers are making money and want to kill hogs but are going to buy at their price. They are going to pay up unless they must and with current weights it appears they have enough hogs for needs. Ham prices are dropping which indicates exports may be slipping and that is not what US pork needs. Big allocations of funds money drove up prices and allocations may go on for a few more days.

Specs are driving markets and higher prices are hedging opportunities.

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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.

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
JANUARY 05, 2021**

LOADS OF PORK CUTS: 415.05

LOADS TRIM/PROCESSED PORK: 43.28

FINAL

Date	Loads	Carcass	Loin	Butt	Pic	Rib	Ham	Belly
01/05/2021	458.33	77.63	74.74	74.11	42.56	146.31	64.15	125.05
Change		-0.14	0.67	0.95	-2.26	1.20	-4.28	5.17
Five Day Average --		75.80	72.79	73.37	48.34	144.34	64.25	112.41

FINAL

Date	Loads	Carcass	Loin	Butt	Pic	Rib	Ham	Belly
01/04/2021	330.05	77.77	74.07	73.16	44.82	145.11	68.43	119.88
Change		-0.81	0.64	-1.69	-6.26	1.13	-4.40	8.00



Five Day Average -- 74.64 72.67 73.36 51.03 143.71 62.66 06.08

NATIONAL DAILY DIRECT HOG PRIOR DAY REPORT - SLAUGHTERED SWINE

Slaughter Data for January 05, 2021

Average live weight - 289.79

Average carcass - 217.57

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DAILY DIRECT HOGS PLANT DELIVERED AS OF 1:30 PM

NATIONAL NEGOTIATED PURCHASE BASE CARCASS PRICES

Carcass Base Price:

Weighted Average: 50.85

Change from Prior Day:

HOGS SOLD 10,583

SWINE OR PORK MARKET FORMULA PURCHASE (Including Packer Sold)

PRICE RANGE: 69.02 - \$70.42

Weighted Average: \$59.99

Previous Day: \$59.51

HOGS SOLD: 125,550

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

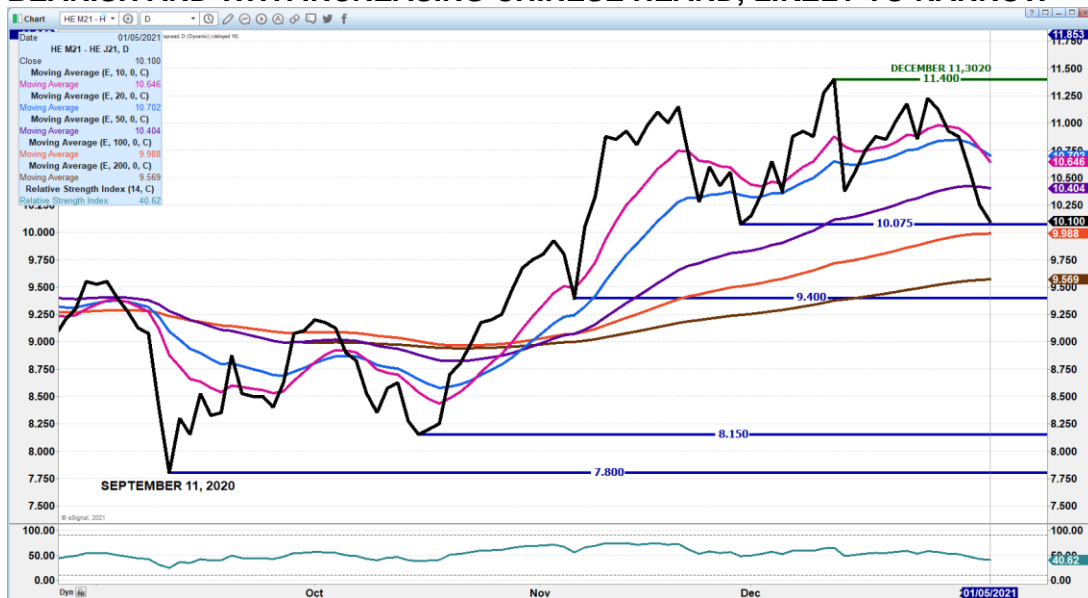
**FEBRUARY/APRIL 2021 LEAN HOG SPREAD – SPEC TRADERS REVERSED
NARROWING IS FRIENDLY BUT LIKELY MNDAY JUST A PURE SPEC MOVE.**



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JUNE/APRIL LEAN HOG SPREAD – STILL WIDE BUT IF CONTINUES TO NARROW IT IS BEARISH AND WITH INCREASING CHINESE HEARD, LIKELY TO NARROW

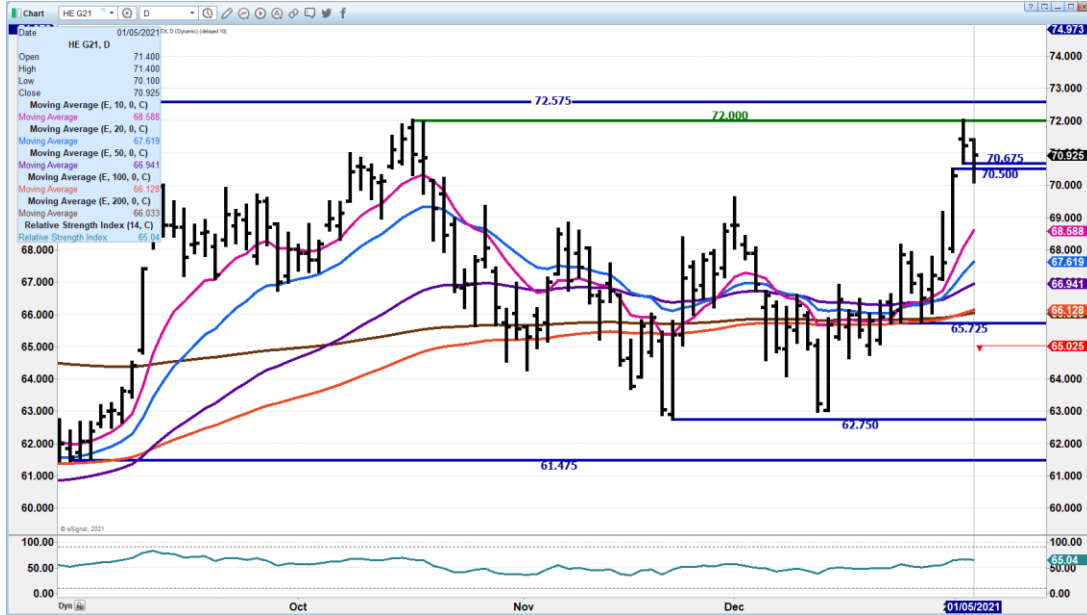


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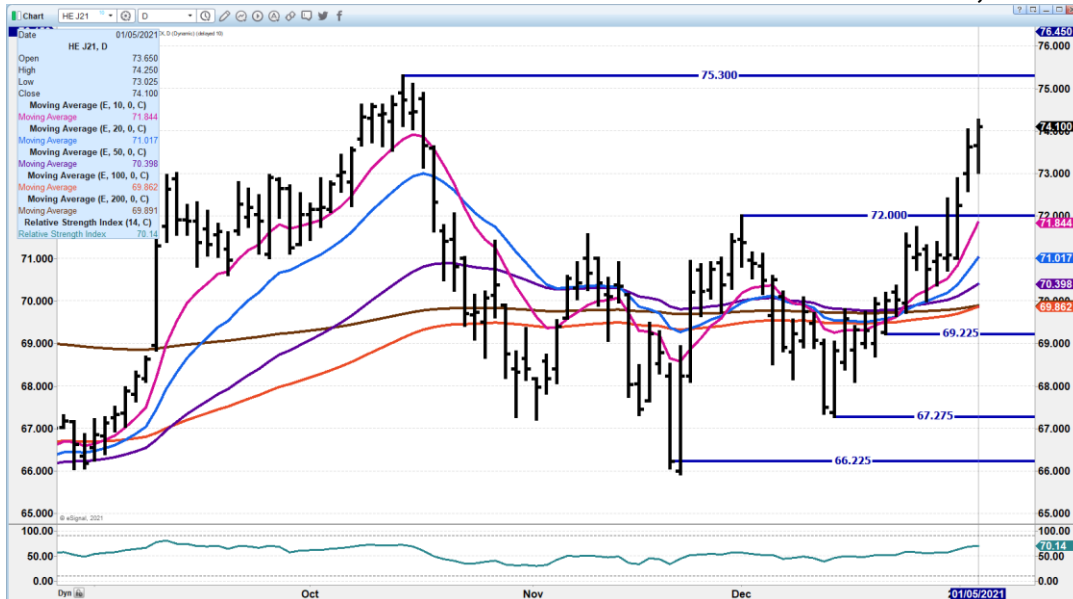
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FEBRUARY 2021 LEAN HOGS – MOVED TO RESISTANCE AND LAST HIGH AT BACK AT OCTOBER 6. RESISTANCE IS 72.00 TO 72.57 SUPPORT AT 70.50 TO 68.07



APRIL 2021 LEAN HOGS – RESISTANCE IS 75.30 SUPPORT AT 72.00,



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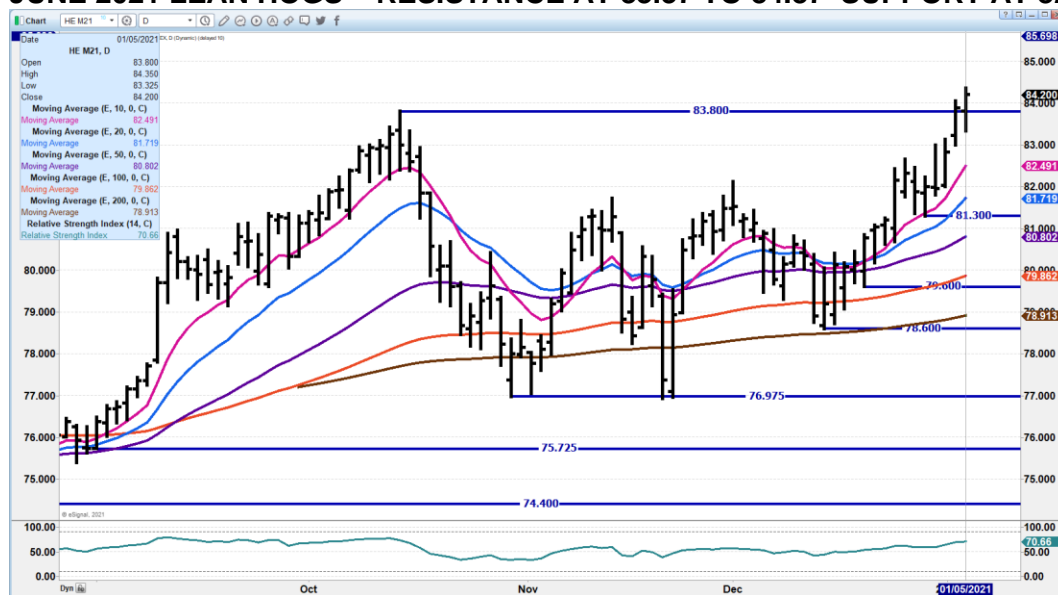
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JUNE 2021 LEAN HOGS – RESISTANCE AT 83.37 TO 84.87 SUPPORT AT 82.50 TO 81.87



CME PRICE LIMITS LIVESTOCK - [HTTPS://WWW.CMEGROUP.COM/TRADING/PRICE-LIMITS.HTML](https://www.cmegroup.com/trading/price-limits.html)

LIVE CATTLE - \$4.00
FEEDER CATTLE - \$5.00
LEAN HOGS - \$3.00

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