



FRIDAY MORNING JANUARY 15, 2021 LIVESTOCK REPORT

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CATTLE

USDA FEDERAL CATTLE SLAUGHTER

JANUARY 14 , 2021	120,000
WEEK AGO	119,000
YEAR AGO	123,000
WEEK TO DATE (EST)	469,000
SAME PERIOD LAST WEEK (EST)	466,000
SAME PERIOD LAST YEAR (ACT)	493,000

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	CHOICE	SELECT
BOXED BEEF FINAL	213.37	201.07
CHANGE FROM PRIOR DAY	2.37	2.01
CHOICE/SELECT SPREAD:		12.30
TOTAL LOAD COUNT		137
5 DAY SIMPLE AVERAGE:	208.09	197.23

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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 14, 2021

Primal Rib	340.94	303.05
Primal Chuck	192.82	182.56
Primal Round	183.97	185.14
Primal Loin	266.97	243.56
Primal Brisket	157.91	155.66
Primal Short Plate	119.19	119.19
Primal Flank	98.29	94.93

FINAL JANUARY 13, 2021

Primal Rib	339.05	299.80
Primal Chuck	190.62	182.61
Primal Round	181.54	183.17
Primal Loin	263.11	239.66
Primal Brisket	156.80	148.97



Primal Short Plate	118.28	118.28
Primal Flank	97.69	95.07

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LOAD COUNT AND CUTOFF VALUE SUMMARY

Date	Choice	Select	Trim	Grinds	Total	CHOICE 600-900	SELECT 600-900
01/13	79	18	19	27	143	211.00	199.06
01/12	99	33	10	29	172	209.14	198.09
01/11	76	22	6	20	123	207.69	195.74
01/08	93	25	6	14	138	206.80	196.69
01/07	112	21	14	28	176	205.81	196.59
01/06	125	47	13	19	204	205.27	196.08
01/05	135	25	13	31	204	205.90	196.49
01/04	60	20	8	14	102	209.87	196.53
12/31	87	34	11	12	144	209.35	194.97

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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	82.49 loads	3,299,416 pounds
Select Cuts	19.71 loads	788,263 pounds
Trimming	7.48 loads	299,357 pounds
Ground Beef	26.82 loads	1,072,988 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 LIVESTOCK REPORTS FOR JANUARY 2021

CATTLE ON FEED REPORT - FRIDAY, JANUARY 22, 2021 - 2:00PM CENTRAL TIME
COLD STORAGE REPORT - MONDAY JANUARY 25, 2021 - 2:00PM CENTRAL TIME
SEMI ANNUAL CATTLE REPORT - FRIDAY, JANUARY 29, 2021 - 2:00PM CENTRAL TIME

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USDA POSTED CATTLE PRICES ON 01/14/2021
IA/MN - CASH - 106.00 - 107.00 Dressed.- 171.00 - 173.00
NE - CASH - Dressed. 172.00
KS - CASH 109.00 DRESSED
TX/OK/NM - No Reportable Trade.
CO - No Reportable Trade.



*****National Daily Direct Cattle 01/13/2021
5 day accumulated weighted avg)**

	Weight	Price	Head
Live Steer:	1488	\$110.24	47,897
Live Heifer:	1345	\$110.36	20,649
Dressed Steer:	972	\$174.28	42,538
Dressed Heifer:	862	\$174.17	12,735

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Live cattle futures are being traded primarily with speculators spreading. There is enough time before February cattle go into delivery that specs can dominate the trade.

On the cash side packers are buying cattle this week \$1.00 to \$3.00 lower. Feedlots are going to only receive what packers want to pay and those lots continuing to hold cattle aren't going to move prices higher.

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Moving into 2021 with higher feed costs, there will be more shifting to long term grid contracting or outright feeding to an established contractor or to a packer feedlot. One of the big differences is going to be the majority of contractor or packer owned feedlots lock in grain prices at the time feeders are placed. The contractors or packers also are placing previously contracted feeder cattle. For the hand to mouth buyer of grain and feedlots that replace after fed cattle leave the lots, it is going to be hard to compete. Recent reports indicate even with higher prices offered for cattle April 2021 into 2022, hedgers are sidelined. They expect small placements will push prices higher. So far it isn't working

Futures continue to bear spread. Volume this past week is bigger the days cattle trade lower.

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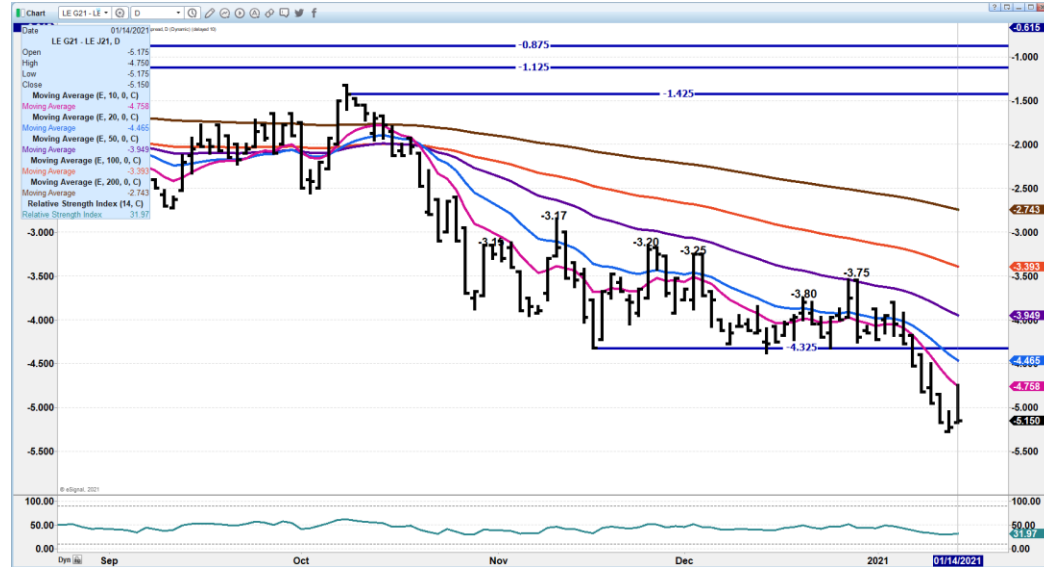
As of January 12, 2021, dressed steer and heifer weights were 893.4 compared to previous week at 890.1 up 3.3 pounds from week ago and the same as last week, 11 pounds over a year ago. Grading percent was 82.9% up compared to previous week at 82.3%. Grading percent at 83% is an indication the US produces Choice cattle, but it also indicates there are still too many cattle that are overweight, and the 11 pounds extra cattle weigh this year compared to a year ago verifies it. It also shows why the US is a net importer of beef. Especially now with fast food restaurants drawing in more people, they aren't going to buy US high choice grading steers and heifers when they can buy barely select, cutters or cows to grind from outside the US.



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FEBRUARY 2021 LIVE CATTLE/APRIL 2021 LIVE CATTLE SPREAD – LEFT AS BAR CHART TO SHOW THURSDAY WAS PROFIT TAKING BEFORE NEW SPREADS WERE PLACED. COULD SEE PROFIT TAKING TODAY BEFORE LONG WEEKEND.



APRIL/JUNE 2021 LIVE CATTLE SPREAD - SPREADERS DOMINATE CATTLE MARKET AS THE BEAR SPREAD



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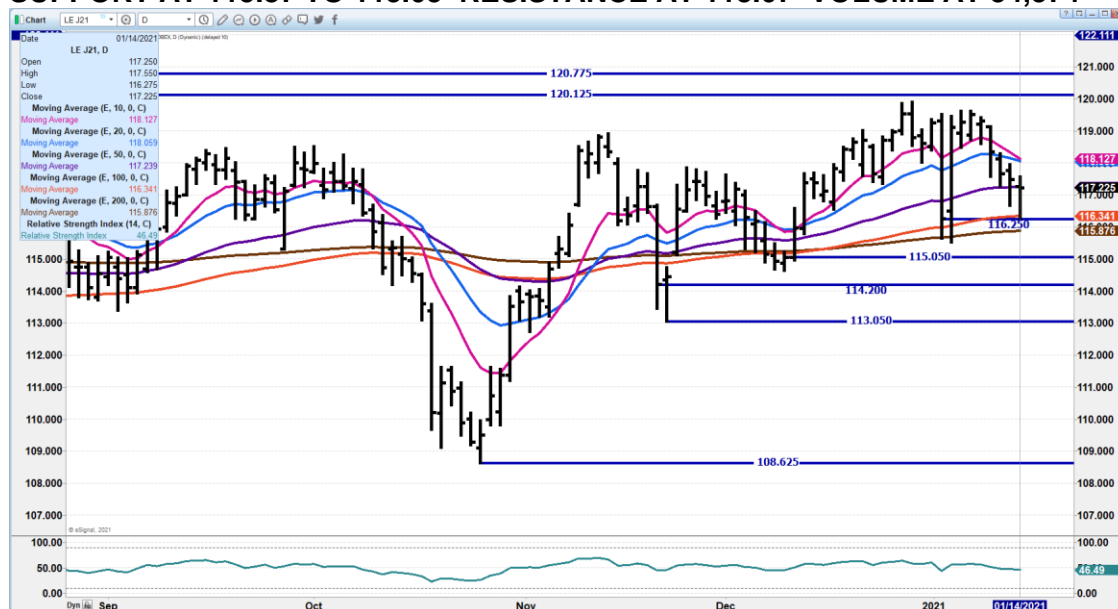
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FEBRUARY 2021 LIVE CATTLE – Support at 111.25 to 110.55 Resistance at 112.95 to 113.37 volume decreasing as traders moving to April



APRIL 2021 LIVE CATTLE - FELL TO FIRST SUPPORT AT 100 DAY AVERAGE. NEXT SUPPORT AT 115.87 TO 115.05 RESISTANCE AT 118.07 VOLUME AT 34,374

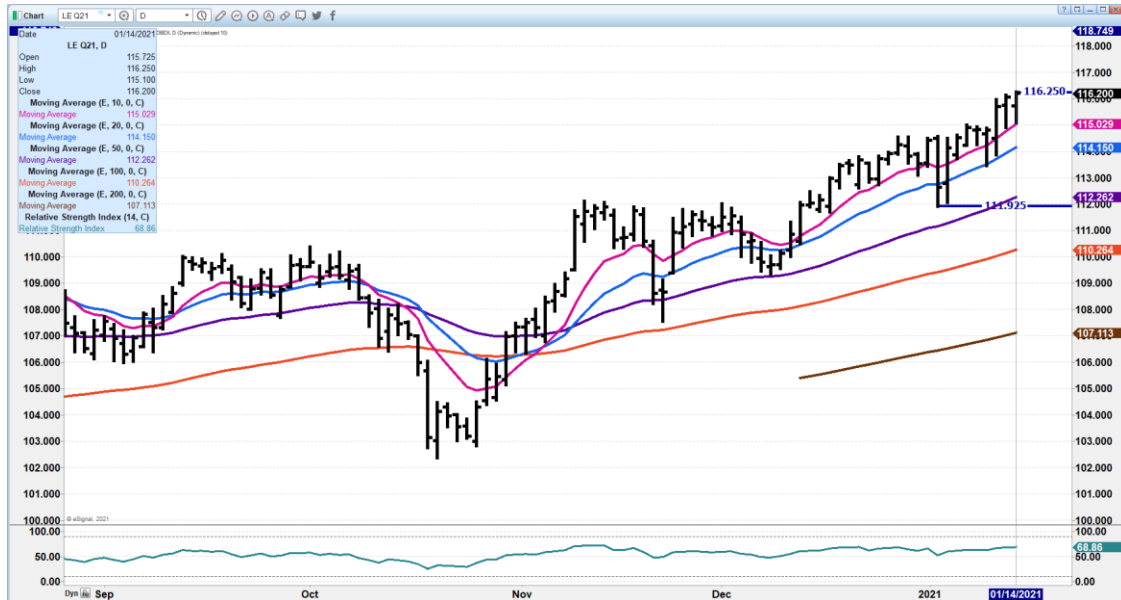


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AUGUST 2021 LIVE CATTLE – NEW CONTRACT HIGH AS SPREADERS ARE BUYING BACK MONTHS BUT BEWARE WHEN THEY REVERSE SPREADS



Feeder Cattle

**THE CME FEEDER INDEX ON 01/13/2020 WAS 135.49 DOWN 66 FROM PREVIOUS DAY –
 JANUARY 2021 FEEDER CATTLE FUTURES SETTLED ON JANUARY 14 2021 AT \$132.60**

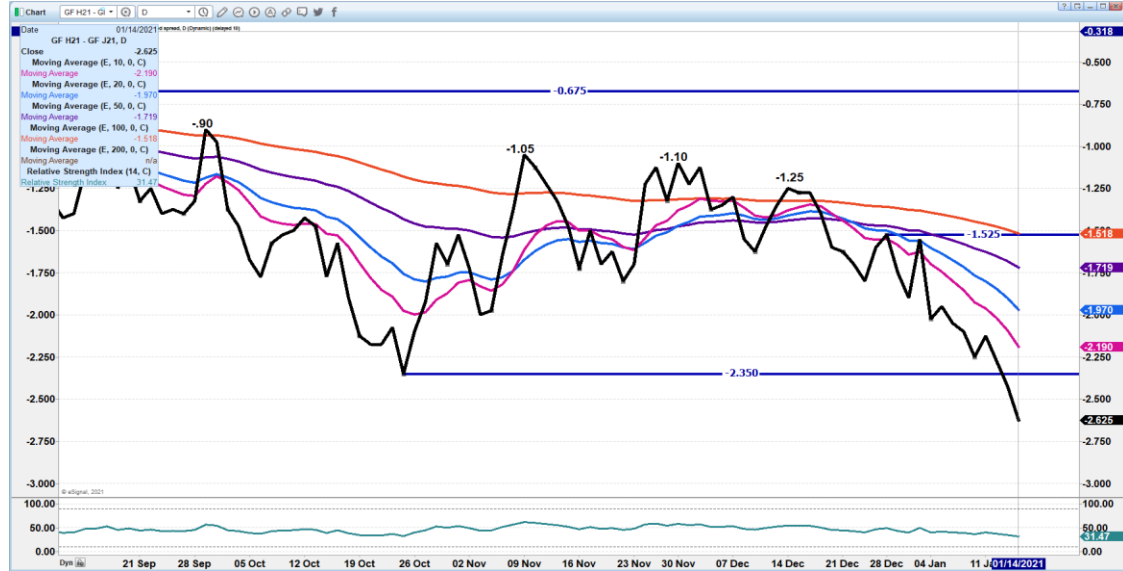
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HIGHER CORN PRICES ARE NEGATIVE TO FEEDER CATTLE FUTURES. FOR GRAIN/CATTLE PRODUCERS WHO MAY HAVE BEEN DECIDING WHETHER TO FEED CATTLE OR SELL GRAIN THE DECISION TO FEED CATTLE OR SELL CORN WAS MADE ON TUESDAY. IT WILL HELP TO KEEP FEEDER CATTLE PRICES LOWER AS FEEDLOTS THAT JUST SELL CATTLE WILL HAVE A FEW MORE TO CHOSE FROM.

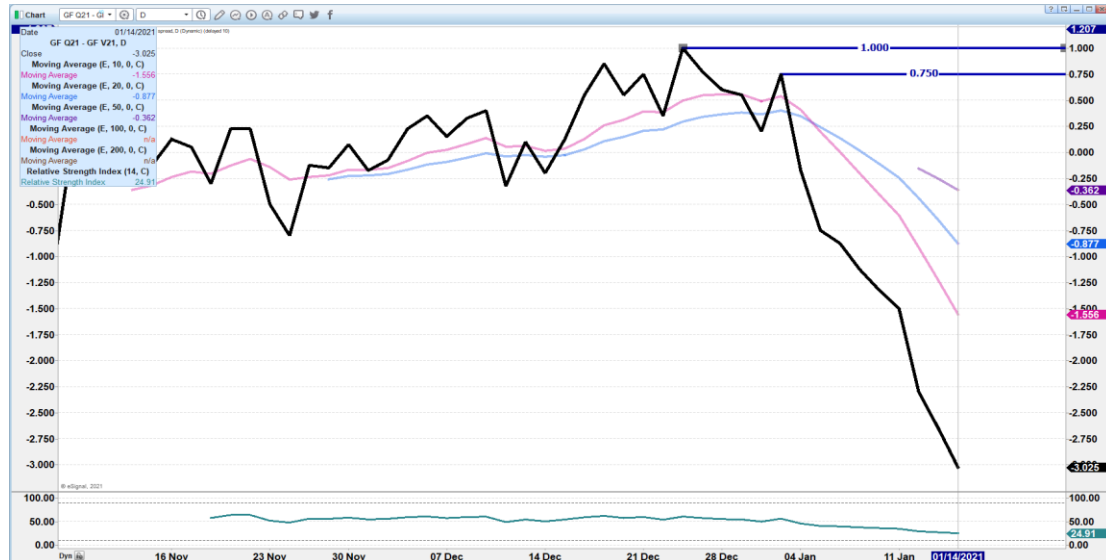
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MARCH 2021/APRIL 2021 FEEDER CATTLE SPREAD - CONTINUES TO BEAR SPREAD

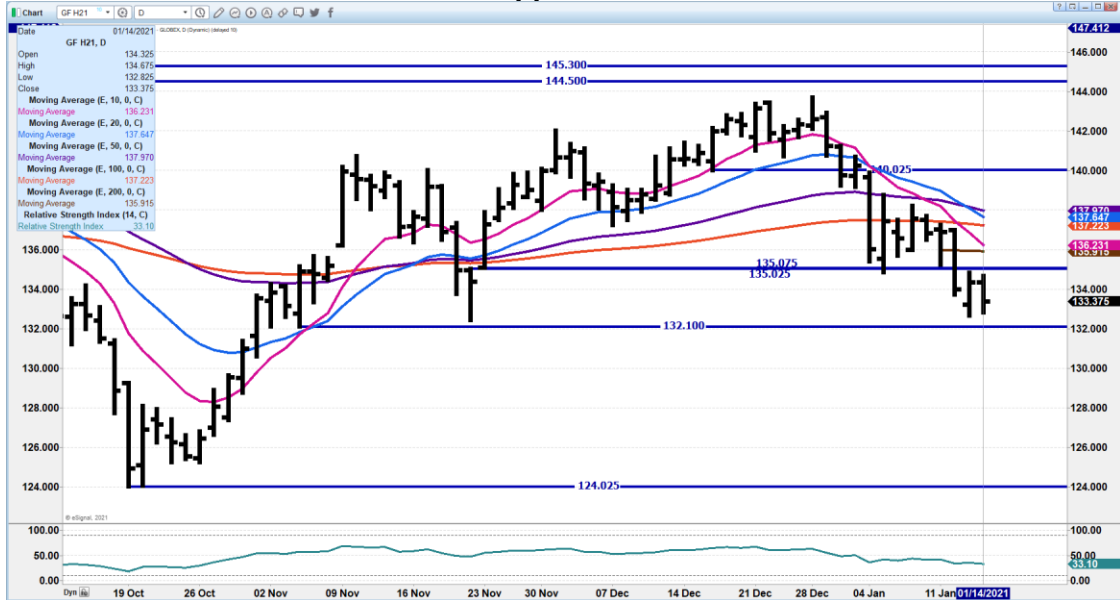


AUGUST/OCTOBER FEEDER CATTLE SPREAD - BEAR SPREADING. SHOWS LACK OF INTEREST IN REPLACING FEEDERS

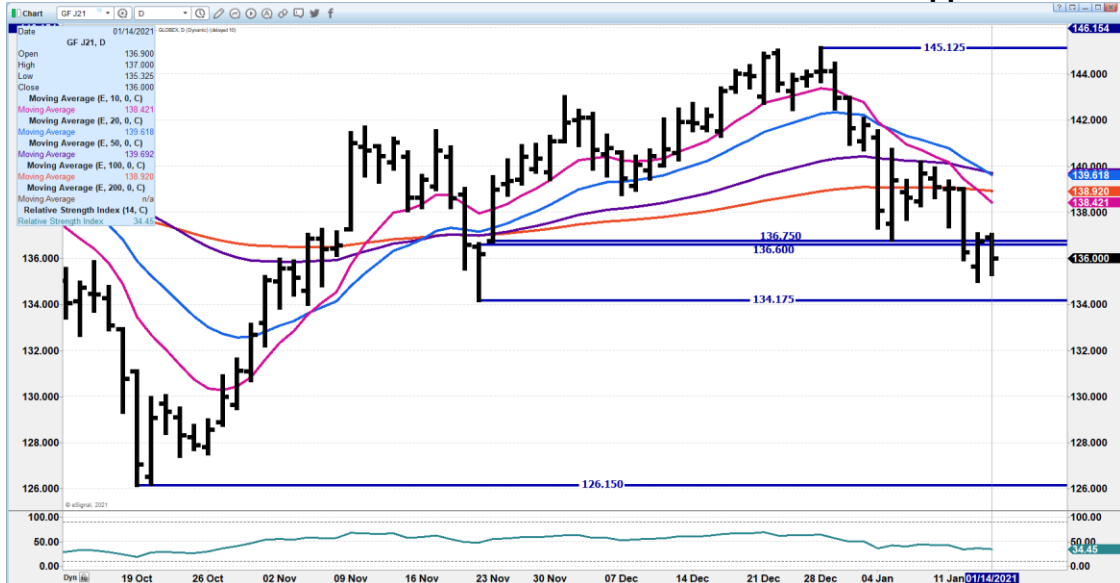




MARCH 2021 FEEDER CATTLE – support at 132 resistance at 136.25



APRIL 2021 FEEDER CATTLE – resistance at 138.45 to 139.85 support at 134.17



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LEAN HOGS

USDA ESTIMATED FEDERAL HOG SLAUGHTER

JANUARY 14, 2021	497,000	
WEEK AGO	497,000	
YEAR AGO	498,000	
WEEK TO DATE (EST)		1,991,000
SAME PERIOD LAST WEEK (EST)		1,971,000
SAME PERIOD LAST YEAR (ACT)		1,991,000

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CME CASH HOG INDEX 01/12/2020 AT 65.48 UP 99 CENTS FROM PREVIOUS DAY

CME CASH PORK CUTOUT INDEX 01/13/2021 AT 80.25 UP 15 CENTS FROM PREVIOUS DAY

CME CASH FRESH BACON INDEX ON 01/08/2021 WAS 153.92 COMPARED TO 01/01/2021 WAS 123.79

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Thursday only 288 loads were sold on the daily pork market. It isn't even a drop in the bucket of hogs moved. Kill Thursday was 497,000 hogs the average weight was for carcasses was 218 pounds. Since cutout is based on major primals, cut it down to 60 percent, not including meats other than primal and it is actually heavier. 60 percent of the carcass is 65,007,600 pounds by 40,000 pounds per load or 1625 loads. What the daily market sells is not what packers are actually making and it is not the way they are basing prices for majority of hogs as shown below.

Exports were poor today. Need a minimum of 30,000 metric tons of net sales.

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The primal pork rib market has been holding its strength for a while. In the U.S., "Barbeque" restaurants quickly moved to take out when COVID hit but many customers before COVID 19 already used take out so the move to almost all take was easy.. Another reason pork ribs held prices was when China dropped German pork. Germany was one of the largest suppliers of ribs to China before China stopped German imported pork due to wild hogs in Germany with African Swine Fever. The U.S. picked up a good part of the order along with Spain and Portugal and with two weeks of China halting shipments of



German pork, German packers picked up sales to other countries. There wasn't a long time when rib sales dropped off.

Spreading was obvious Wednesday. Spreads widening out look good but in reality they are called bear spreads for a reason

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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

JANUARY 14, 2021

LOADS OF PORK CUTS: 258.81

LOADS TRIM/PROCESSED PORK: 29.51

FIBAL

Date	Loads	Carcass	Loin	Butt	Pic	Rib	Ham	Belly
01/14/2021	288.33	80.55	72.98	64.89	45.04	149.06	77.24	128.08
Change		2.42	0.42	-1.62	-5.93	0.38	1.90	16.12
Five Day Average --		80.45	72.79	68.10	47.99	148.96	76.17	125.73

FINAL

Date	Loads	Carcass	Loin	Butt	Pic	Rib	Ham	Belly
01/13/2021	383.42	78.13	72.56	66.51	50.97	148.68	75.34	111.96
Change		-1.06	-1.53	-2.31	8.39	-1.74	4.53	-15.24
Five Day Average --		80.30	73.05	69.10	49.19	148.57	74.07	126.48

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NATIONAL DAILY DIRECT HOG PRIOR DAY REPORT - SLAUGHTERED SWINE

Slaughter Data for January 12, 2021

Average live weight - 289.85

Average carcass - 217.86

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DAILY DIRECT AFTERNOON HOG REPORT JANUARY 14, 2021

National Negotiated Carcass Price

Lowest price: 46.00

Highest price: 57.00



Weighted Average Price: 53.98
Head Count: 7,185

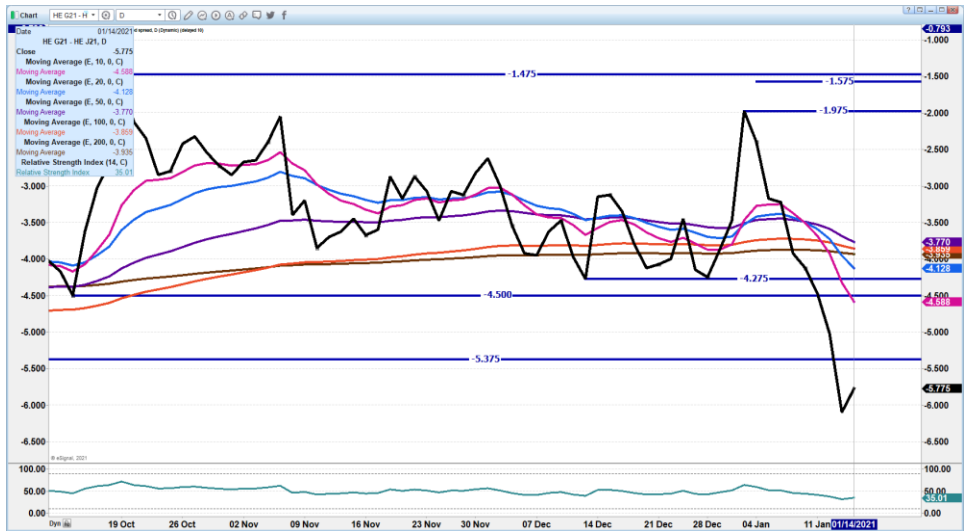
Other Market Formula (Carcass)
Lowest base price: 50.86
Highest base price: 82.50
Weighted Average Price: 65.33
Head Count: 43,138

Swine/Pork Market Formula (Carcass)
Lowest base price: 49.68
Highest base price: 75.42
Weighted Average Price: 64.68
Head Count: 163,936

Other Purchase Arrangement (Carcass)
Lowest base price: 57.98
Highest base price: 94.37
Weighted Average Price: 67.47
Head Count: 56,964

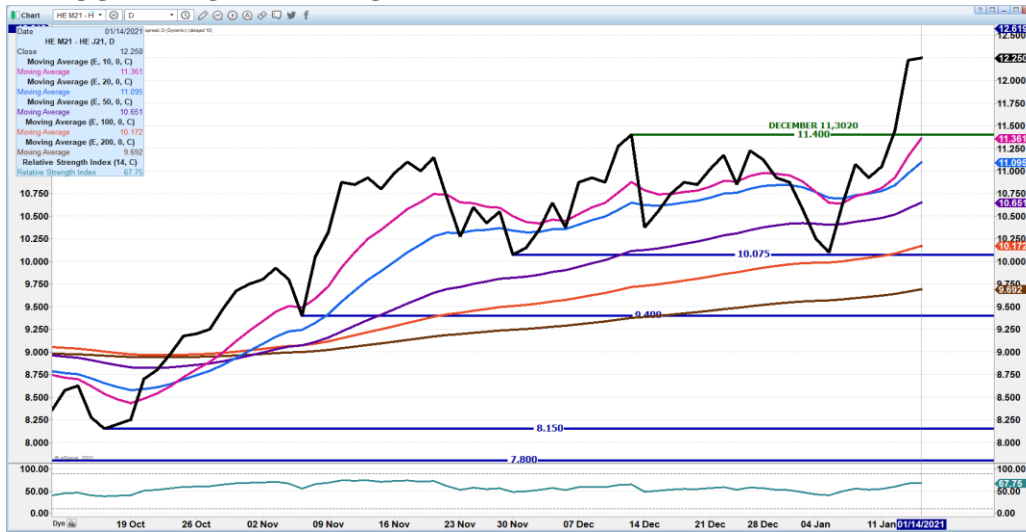
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FEBRUARY/APRIL 2021 LEAN HOG SPREAD - QUICK PROFIT TAKING THURSDAY. COULD SEE MORE AHEAD OF 3 DAY WEEKEND

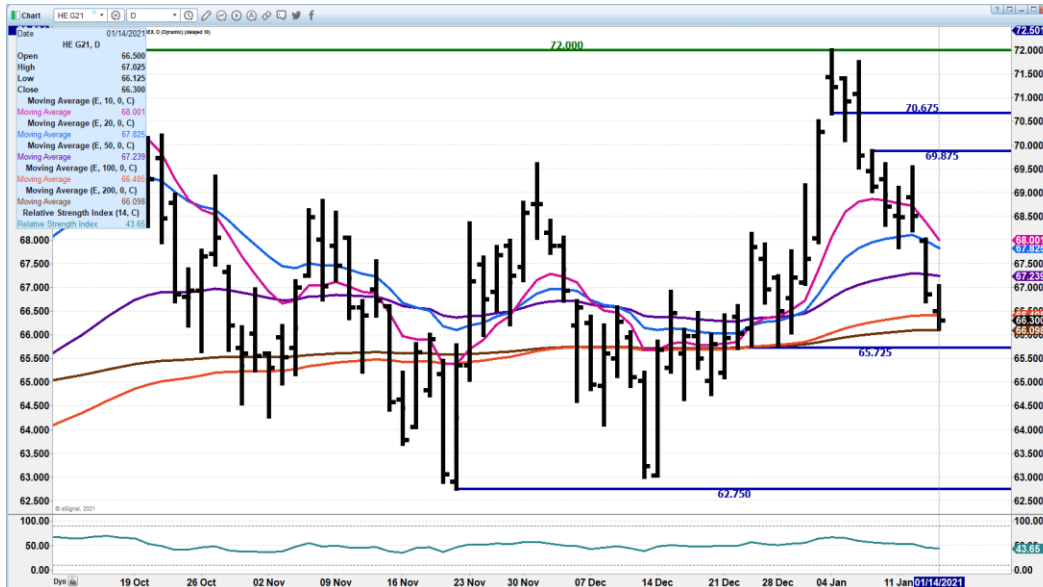




JUNE/APRIL LEAN HOG SPREAD – COULD SEE PROFIT TAKING. THIS SPREAD IS ALMOST ALL SPREADERS



FEBRUARY 2021 LEAN HOGS – SUPPORT ON 200 DAY MOVING AVERAGE. NEXT SUPPORT AT 65.70 TO 63.05 RESISTANCE AT 67.25 TO 67.82

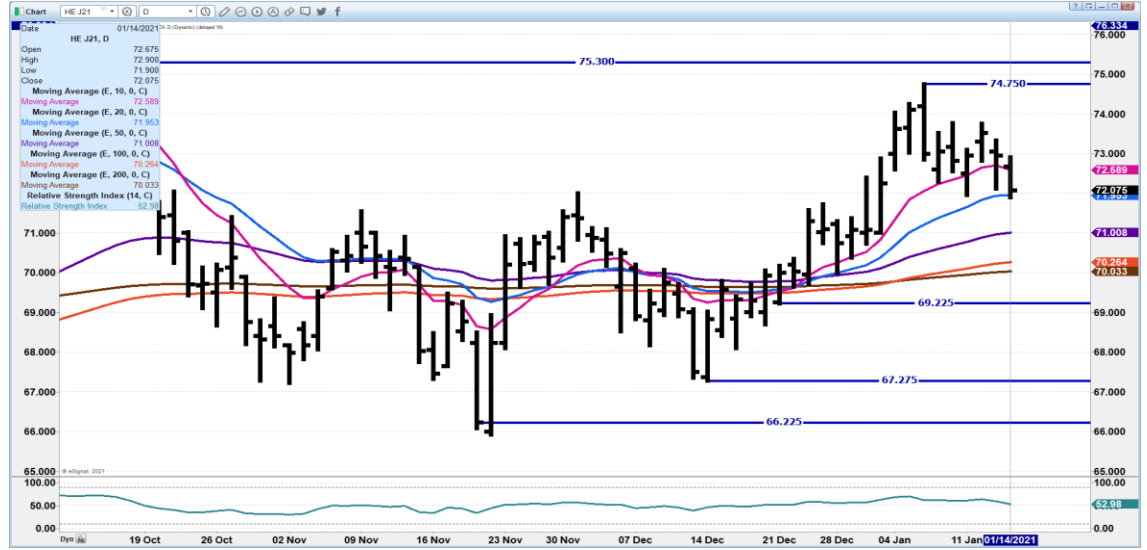


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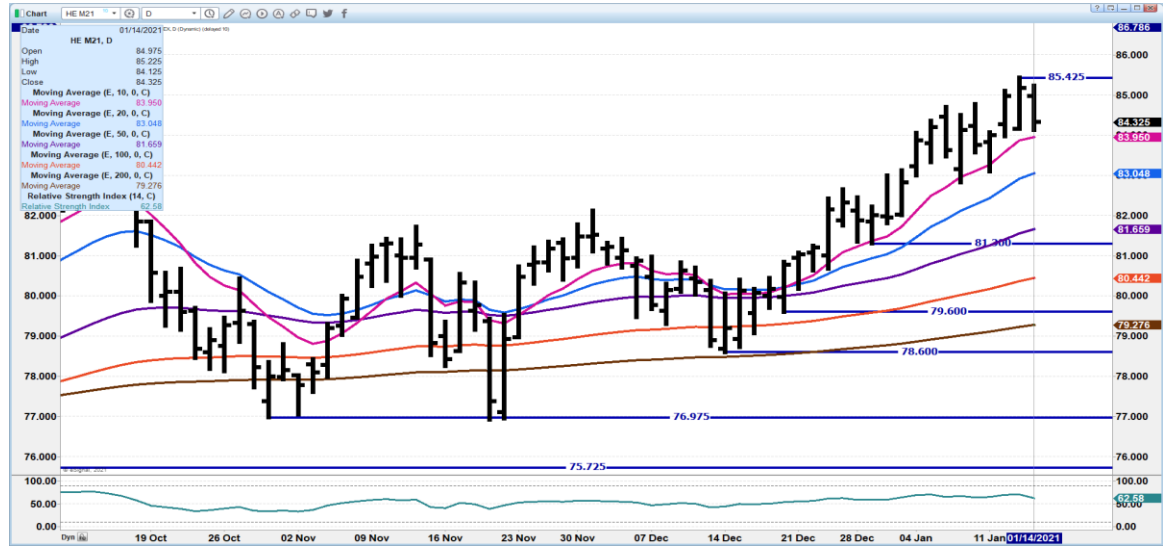
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APRIL 2021 LEAN HOGS – SUPPORT AT 71.75 RESISTANCE AT 72.60 VOLUME 22523



JUNE 2021 LEAN HOGS - SUPPORT AT 83.90 TO 83.05 RESISTANCE AT 85.87



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