

Daily Futures Market Commentary Livestock Outlook

MONDAY MORNING DECEMBER 6, 2021 LIVESTOCK REPORT

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CATTLE

USDA FEDERAL CATTLE SLAUGHTER

DECEMBER 03, 2021	119,000
WEEK AGO	119,000
YEAR AGO	118,000
SATURDAY 12/04/2020	69,000- A WEEK AGO 81,000, YEAR AGO 71,000
WEEK TO DATE (EST)	676,000
SAME PERIOD LAST WEEK (EST)	566,000
SAME PERIOD LAST YEAR (ACT)	669,000
2021 YEAR TO DATE	30,836,000
2020 YEAR TO DATE	29,964,000
PERCENT CHANGE YEAR TO DATE	+2.9%

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BOXED BEEF FINAL	CHOICE	SELECT
CURRENT CUTOUT VALUES:	274.36	258.64
CHANGE FROM PRIOR DAY:	2.34	0.39
CHOICE/SELECT SPREAD:		15.72
TOTAL LOAD COUNT (CUTS, TRIMMINGS, GRINDS)		117
5 DAY SIMPLE AVERAGE:	274.30	260.16

PREVIOUS WEEKS CLOSE 11/26/2021

BOXED BEEF FINAL	CHOICE	SELECT
CURRENT CUTOUT VALUES:	280.01	262.28

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CME BOXED BEEF INDEX FOR 12/02/2021 WAS AT 269.91 DOWN 87 CENTS FROM PREVIOUS DAY

CME BOXED BEEF INDEX FOR 11/26/2021 WAS AT 274.38

FINAL DECEMBER 3, 2021

PRIMAL RIB	468.84	408.34
PRIMAL CHUCK	226.55	218.10
PRIMAL ROUND	223.61	224.35
PRIMAL LOIN	335.97	310.1879
PRIMAL BRISKET	293.50	274.05
PRIMAL SHORT PLATE	185.41	185.41
PRIMAL FLANK	142.75	141.49

PREVIOUS WEEKS CLOSE

FINAL NOVEMBER 26, 2021

PRIMAL RIB	473.17	411.66
PRIMAL CHUCK	229.57	220.42
PRIMAL ROUND	236.65	232.70
PRIMAL LOIN	343.01	09.00
PRIMAL BRISKET	288.27	289.44
PRIMAL SHORT PLATE	184.06	184.06
PRIMAL FLANK	148.90	150.20

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LOAD COUNT AND CUTOUT VALUE SUMMARY

Date	Choice	Select	Trim	Grinds	Total	CHOICE 600-900	SELECT 600-900
12/02	126	27	4	18	174	272.02	258.25
12/01	164	26	8	28	227	270.22	257.97
11/30	126	30	32	10	199	271.68	260.29
11/29	51	19	6	6	82	277.58	262.02
11/26	20	9	12	10	50	280.01	262.28

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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. CURRET VOLUME - (one load equals 40,000 pounds)

Choice Cuts	80.54 loads	3,221,762 pounds
Select Cuts	13.50 loads	539,958 pounds
Trimming	10.62 loads	424,687 pounds
Ground Beef	12.03 loads	481,092 pounds

Monday, December 6, 2021 is First Notice Day for December 2021 Live Cattle.

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Interestingly, the average cash steer price last week was about \$4.00 over the previous week. The reason, the price spread between Southwestern cattle and Midwest cattle has not only disappeared but now favors cattle in the Southwest. Cattle cost more in Texas than they did in Iowa and Minnesota and compared to a week ago, they are all higher than a week ago.

This will be another full kill week and normally the last week retailers get in orders for Christmas. But with larger movement of rib section on daily market, it appears retailers already have orders placed. Price might increase if exports remain at current levels but with big kill last week, packers could have enough cattle and beef on the books they won't need to pump up price.

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Cattle slaughter for the week estimated at 676,000 head.

Moving a lot of Choice beef over the past couple of days and it's the Choice rib sections that have Choice off earlier lows at beginning of the week. .

Cash markets traded like last week with highest prices paid in Southwest. IA/MN prices on Thursday topped at \$140.00 while cattle in from Nebraska, Kansas, Texas, New Mexico and Oklahoma sold cattle from 140.00 to \$142.59 from steers to heifers.

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NOVEMBER 30, 2021 dressed steer and heifer weights were 894.9 pounds compared to previous week at 892.1 pounds up 2.8 pounds and 10 pounds in two weeks. Grading percent was 81.3 % up 1.3% compared to previous week at 80.0%.

https://www.ams.usda.gov/mnreports/ams_2700.pdf

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USDA POSTED SUMMARY CATTLE PRICES ON 11/03/2021

IA/MN – CASH – 140.00 LIGHT BUY ON FRIDAY PACKERS BOUGHT MAJORITY ON THURSDAY 138 - 140

DRESSED - 226.00 ON 80 HEAD MIXED STEERS AND HEIFERS

NE – CASH - 140.00 - 142.00

DRESSED – 221.00

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KS – CASH - 142.00 CLEAN UP BUY ON FRIDAY MOST CATTLE BOUGHT THURSDAY
DRESSED – NO REPORTABLE TRADE.

TX/OK/NM CASH – 142.00 ON 304 HEIFERS
DRESSED– NO REPORTABLE TRADE.

CO – CASH - 140 .00 - 142.00 ON 201 HEAD
DRESSED - NO REPORTABLE TRADE.

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*****National Daily Direct Cattle 12/03/21**

5 day accumulated weighted avg

	Weight	Price	Head
Live Steer:	1478	\$140.24	57,086
Live Heifer:	1322	\$140.82	22,816
Dressed Steer:	956	\$219.71	8,549
Dressed Heifer:	860	\$219.74	4,758

https://www.ams.usda.gov/mnreports/nw_ls410.txt

*****National Daily Direct Cattle 11/26/21 Previous week**

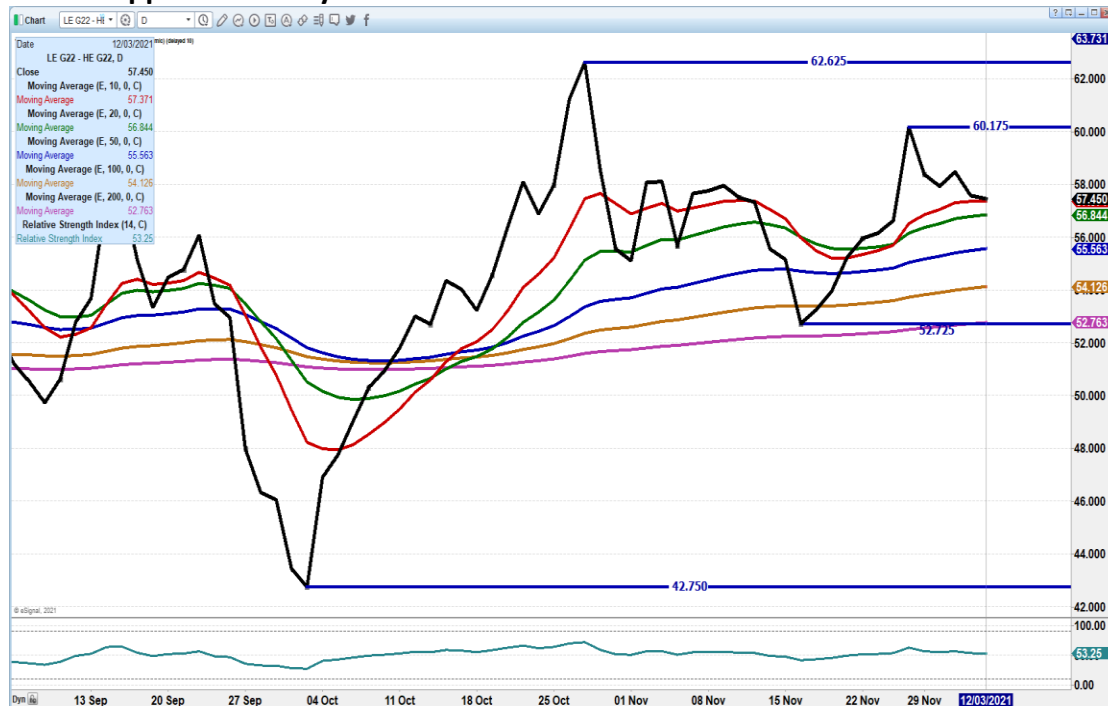
5 day accumulated weighted avg

	Weight	Price	Head
Live Steer:	1485	\$136.05	92,497
Live Heifer:	1335	\$135.94	42,663
Dressed Steer:	964	\$211.55	24,757
Dressed Heifer:	866	\$212.41	9,941=====

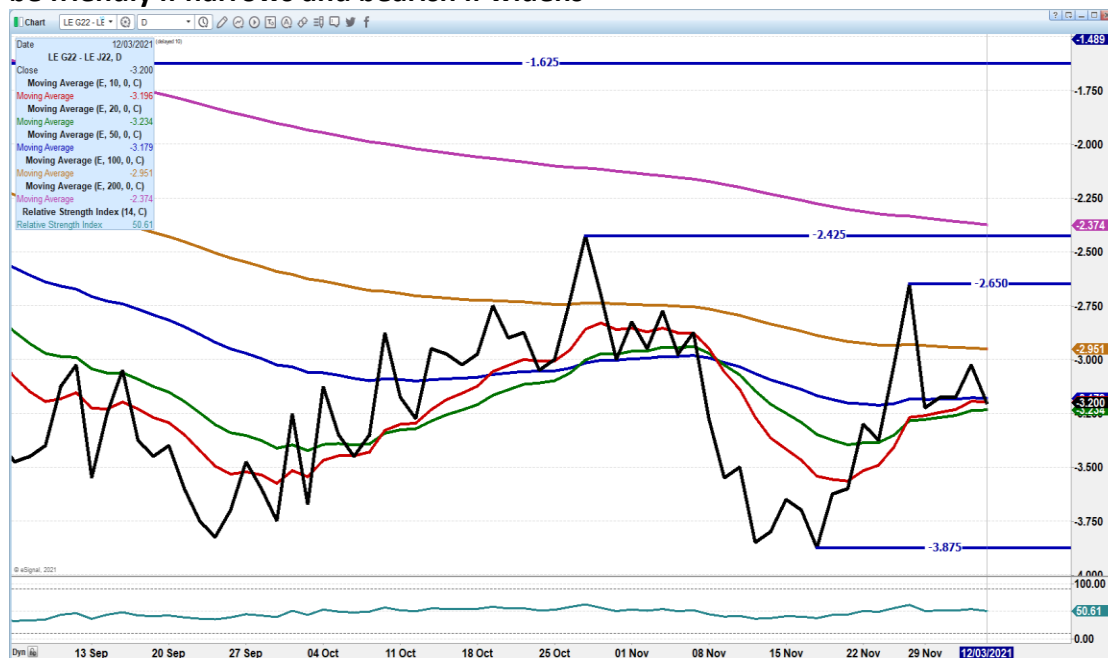
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FEBRUARY 2022 LIVE CATTLE/FEBRUARY 2022 LEAN HOG SPREAD – With high prices paid on cattle, cattle should gain on hogs, but do traders believe highs will maintain into 2022. Fell to support on Friday.



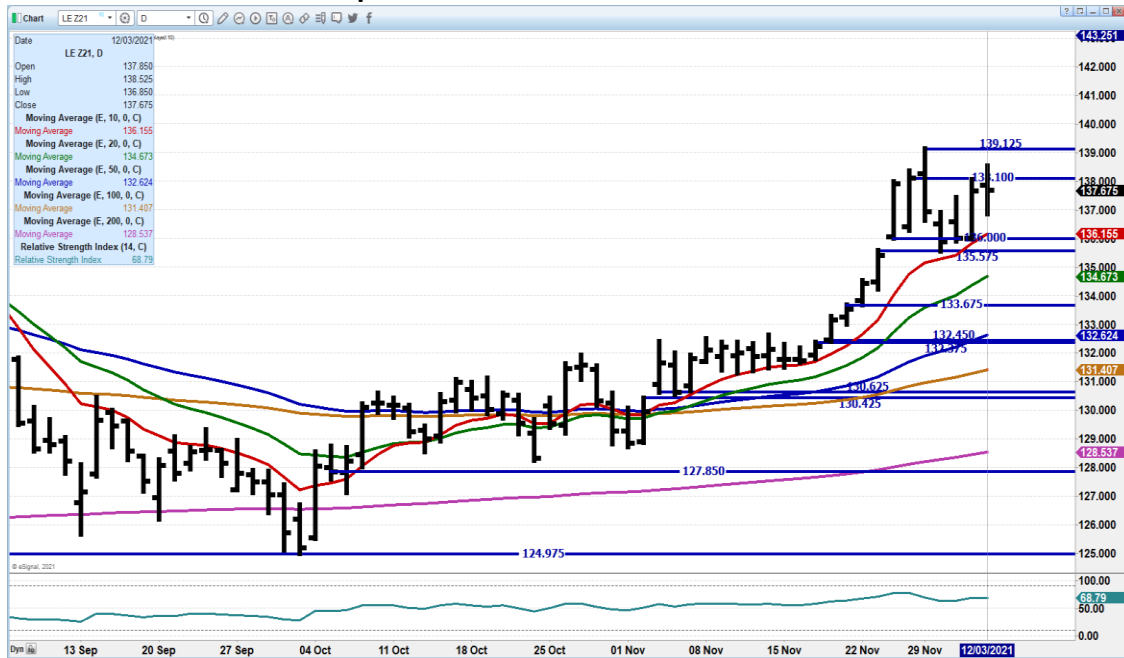
FEBRUARY 2022 / APRIL 2022 LIVE CATTLE SPREAD – Spread is normal at this time. It would be friendly if narrows and bearish if widens



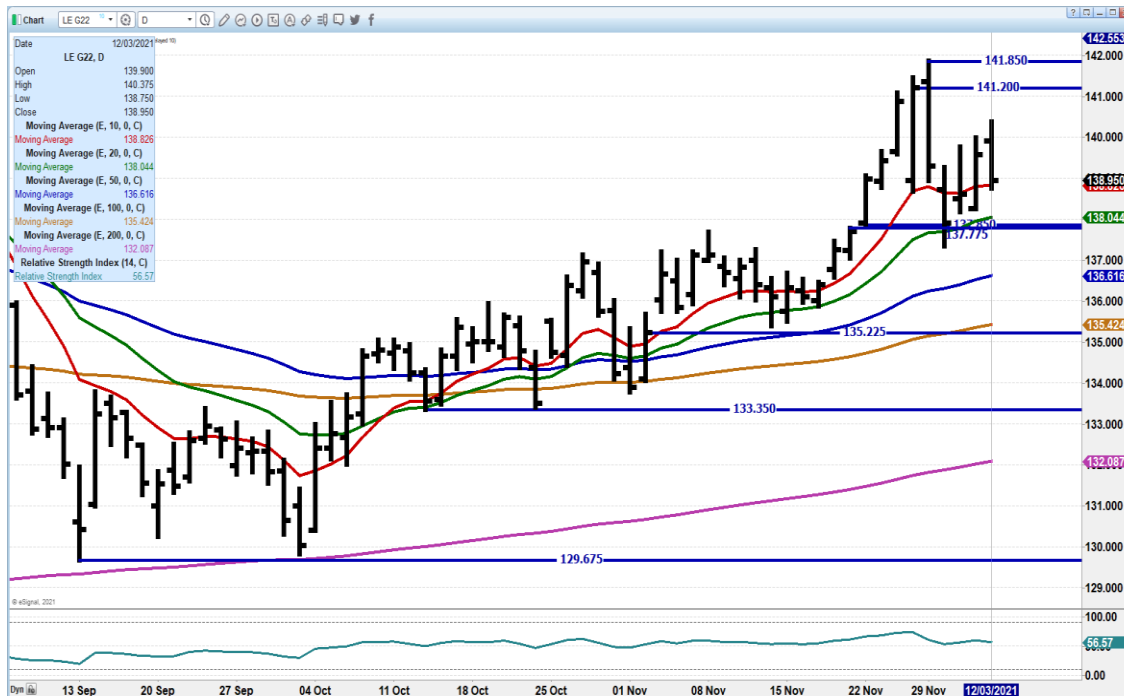
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DECEMBER 2021 LIVE CATTLE – Down 42 cents on the week Support at 136.15 Resistance at 139.12 Volume at 9664 Open Interest at 16552



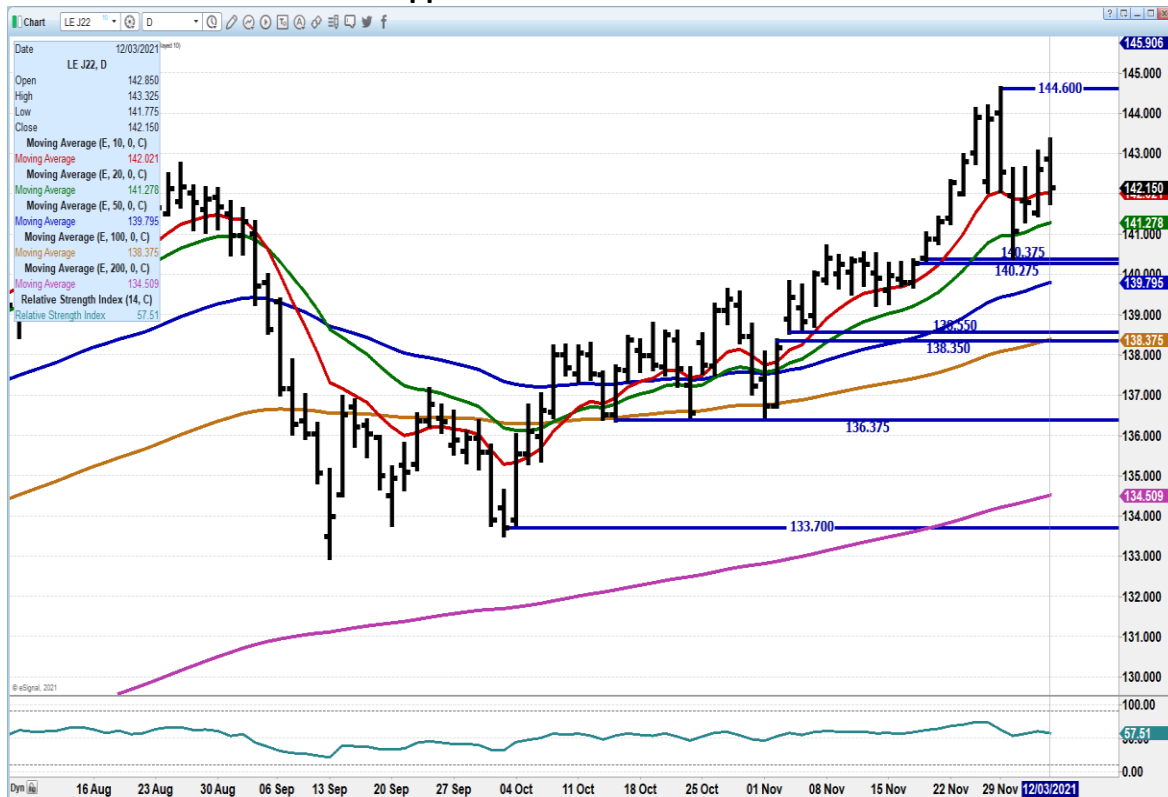
FEBRUARY 2021 LIVE CATTLE - Volume at 21716 Support at 138.75 to 137.75 Resistance at 141.85



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APRIL 2022 LIVE CATTLE – Support 141.27 to 139.75 Resistance at 144.60 Volume at 10835



Feeder Cattle

CME FEEDER INDEX ON 12/02/2021 WAS 161.58 DOWN 24 CENTS FROM PREVIOUS DAY -
CME FEEDER INDEX ON 11/26/2021 WAS 161.29

JANUARY 2022 FEEDER CATTLE FUTURES SETTLED ON DECEMBER 03, 2021 AT \$164.12

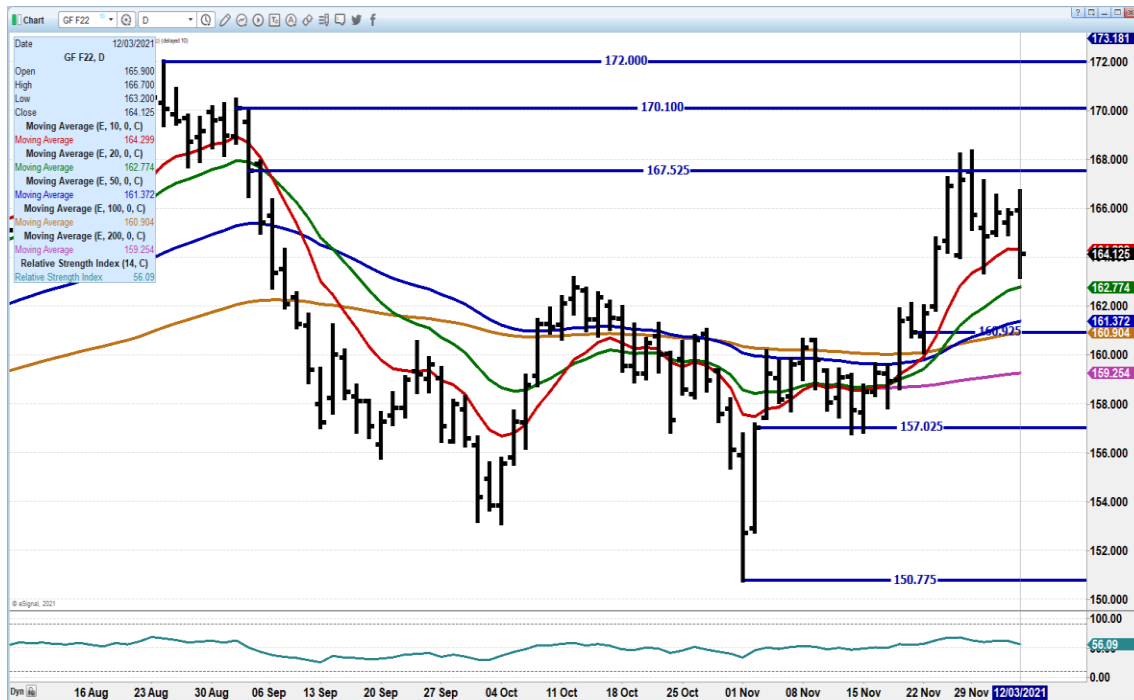
JANUARY 2022 FEEDER CATTLE FUTURES TO CME FEEDER INDEX - THE INDEX IS -2.54 UNDER
JANUARY FUTURES. -

FEEDER FUTURES LOWER FRIDAY MOVING IN LINE WITH CME INDEX

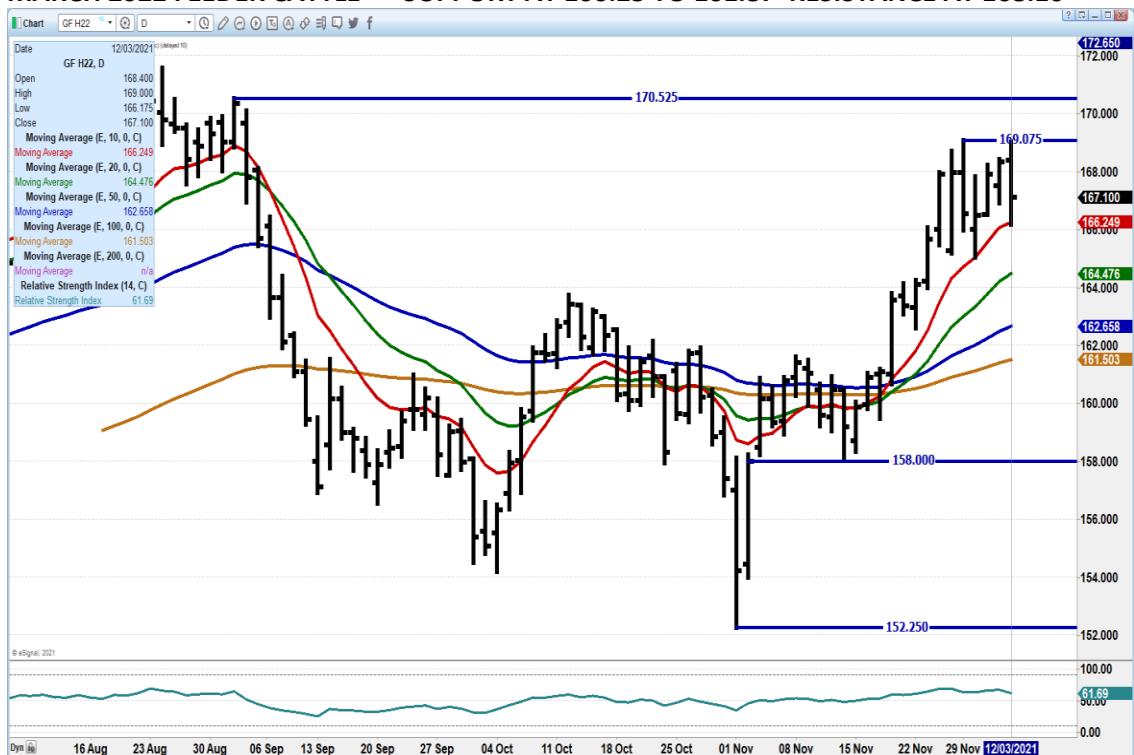
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JANUARY 2022 FEEDER CATTLE – SUPPORT AT 162.75 TO 160.90 RESISTANCE AT 167.52



MARCH 2022 FEEDER CATTLE - SUPPORT AT 166.25 TO 161.87 RESISTANCE AT 168.10



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LEAN HOGS

USDA ESTIMATED FEDERAL HOG SLAUGHTER

DECEMBER 03, 2021	479,000
WEEK AGO	470,000
YEAR AGO	491,000
SATURDAY 12/04/2021	265,000, A WEEK AGO 363,000 - YEAR AGO 329,000
WEEK TO DATE (EST)	2,667,000
SAME PERIOD LAST WEEK (EST)	2,261,000
SAME PERIOD LAST YEAR (ACT)	2,786,000
2021 YEAR TO DATE	118,982,000
2020 *YEAR TO DATE	121,570,000
PERCENT CHANGE YEAR TO DATE	-2.1%

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CME CASH LEAN HOG INDEX 12/01/2021 AT \$70.86 UP .59 FROM PREVIOUS DAY

[CME CASH LEAN HOG INDEX 11/26/2021 AT \\$70.60](#)

CME PORK CUTOUT INDEX 12/02/2021 AT \$85.98 UP 69 CENTS FROM PREVIOUS DAY

[CME PORK CUTOUT INDEX 11/26/2021 AT \\$85.89](#)

CME CASH FRESH BACON INDEX ON 11/26/2021 WAS 157.92 COMPARED TO 11/19/2021 WAS 179.59

CME PORK INDEX TO CME LEAN HOG INDEX plus 15.12

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By the end of the week, pork ended up closing lower with loins and hams. Compared to a week ago the 5 day average on loins was down \$4.25 and hams were off \$6.32. These are the best part of the hog and moving lower is negative especially this time of the year.

Average weights increased through the week which indicates packers are killing no more than what they need. If they wanted or needed more pork, weights would be going down. Packers are controlling the amount of hogs needed and taking just what they want.

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For nine months of 2021, China bought 21% less pork plus variety meats. Hong Kong was down 70%. . For pork purchases China bought 39% less in 2021 and Hong Kong was down 47%

Mexico increased pork plus variety meats in 2021 by 27% and increased pork by 29%

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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

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NATIONAL DAILY PORK REPORT FOB PLANT - NEGOTIATED SALES**DECEMBER 03, 2021****LOADS OF PORK CUTS: 306.36****TRIM/PROCESSED PORK: 35.79****NOON**

DATE	LOADS	CARCASS	LOIN	BUTT	PIC	RIB	HAM	BELLY
12/03/2021	342.15	81.37	70.19	99.76	64.79	135.12	62.27	127.30
CHANGE:		-6.72	-6.09	1.42	1.75	-0.81	-15.02	-10.54
FIVE DAY AVERAGE --		85.25	78.41	98.35	67.12	135.63	66.95	130.24

FINAL PREVIOUS WEEKS CLOSE ON FRIDAY, NOVEMBER 26, 2021

DATE	LOADS	CARCASS	LOIN	BUTT	PIC	RIB	HAM	BELLY
11/26/2021	201.17	83.98	82.31	96.11	69.04	135.37	62.95	123.58
CHANGE:		-1.00	1.55	-3.75	4.83	2.08	-8.70	4.21
FIVE DAY AVERAGE --		85.99	82.66	97.70	65.40	135.62	73.27	120.94

NATIONAL DAILY DIRECT HOG PRIOR DAY REPORT - SLAUGHTERED SWINE[HTTPS://WWW.AMS.USDA.GOV/MNREPORTS/AMS_2511.PDF](https://www.ams.usda.gov/mnreports/AMS_2511.PDF)**Slaughter Data for December 2, 2021****Average live weight: 291.28****Average carcass 217.81**<https://www.ams.usda.gov/sites/default/files/media/LMRSwineReportingHandout.pdf>**DAILY DIRECT AFTERNOON HOG REPORT DECEMBER 03 2021****National Negotiated Carcass Price****Lowest price: 53.50****Highest price: 66.00****Weighted Average Price 61.80****Head Count: 12,334****From Previous day 3.93 higher****Other Market Formula (Carcass)****Lowest Base Price: 58.57****Highest base price: 93.00****Weighted Average Price: 71.48****Head Count: 31,312****Pork Market Formula (Carcass)****Lowest base price: 56.56****Highest Base Price: 81.92****Weighted Average Price: 70.58****Head Count: 163,401****ADMIS.com | 312.242.7000 | Chicago | New York | London | Hong Kong | Singapore | Taipei | Shanghai**

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Other Purchase Arrangement (Carcass)

Lowest base price: 62.61

Highest base price: 95.68

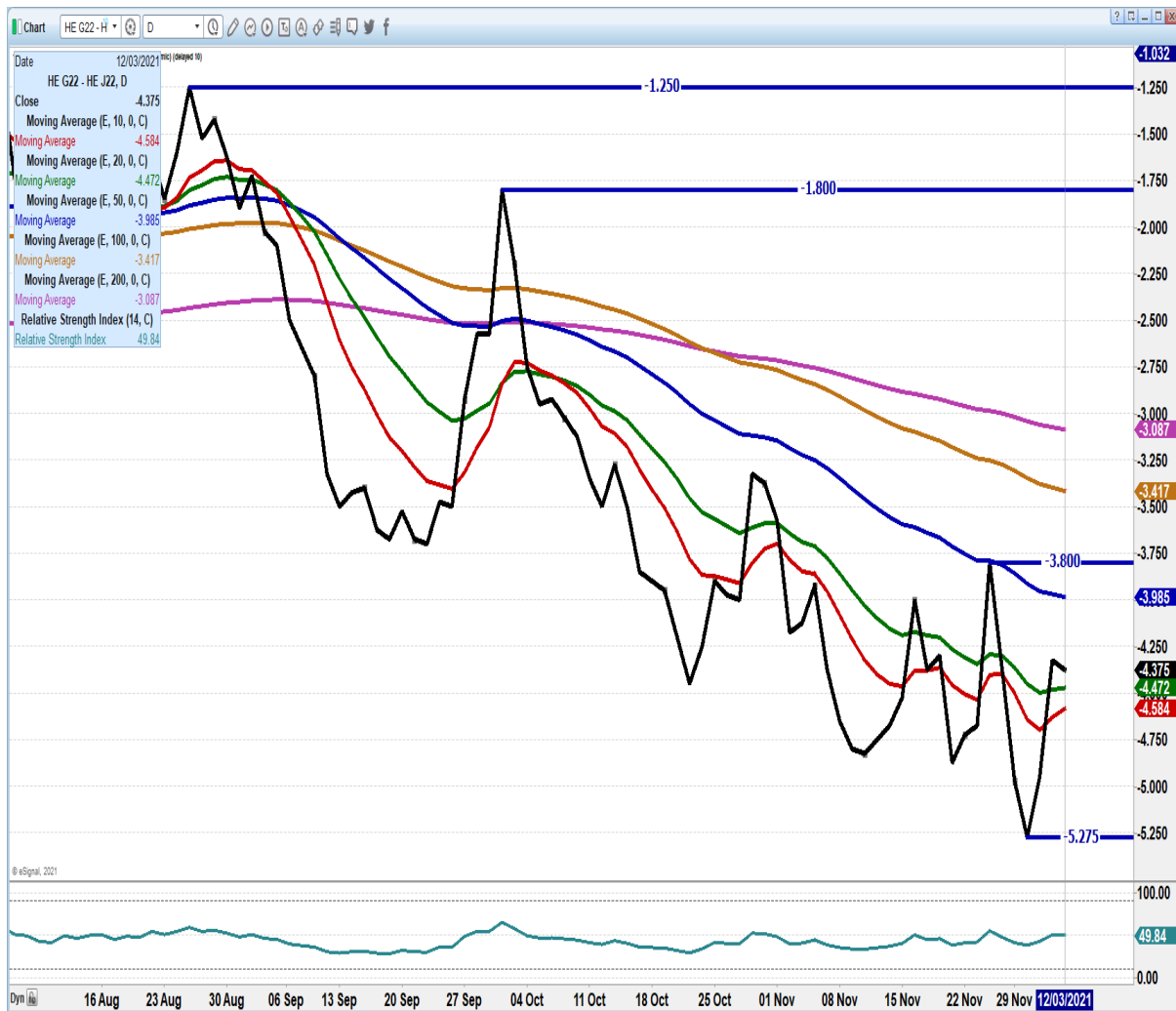
Weighted Average Price: 75.70

HEAD COUNT: 65,335

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FEBRUARY 2022 CATTLE/HOG SPREAD IN CATTLE SECTION – CHECK IT OUT

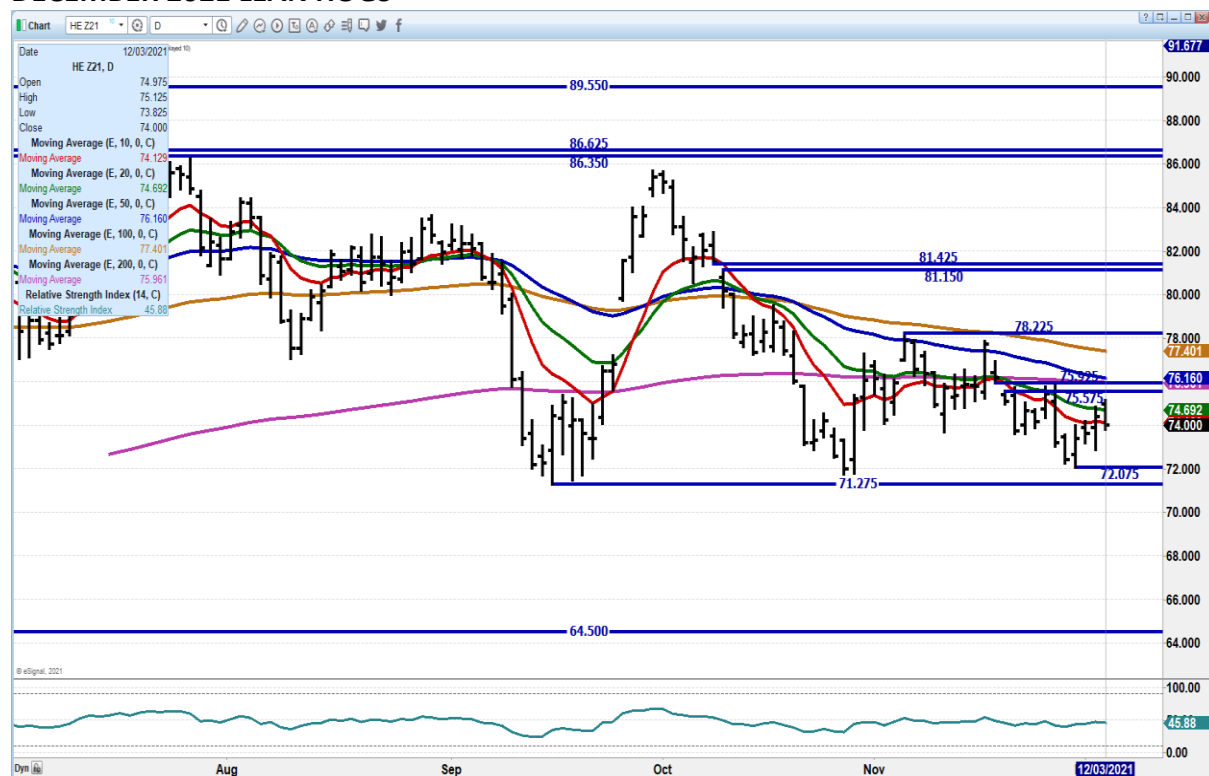
FEBRUARY/APRIL 2022 LEAN HOG SPREAD. – SPREAD IS WIDE.. LOOK FOR FEB TO LOSE TO APRIL



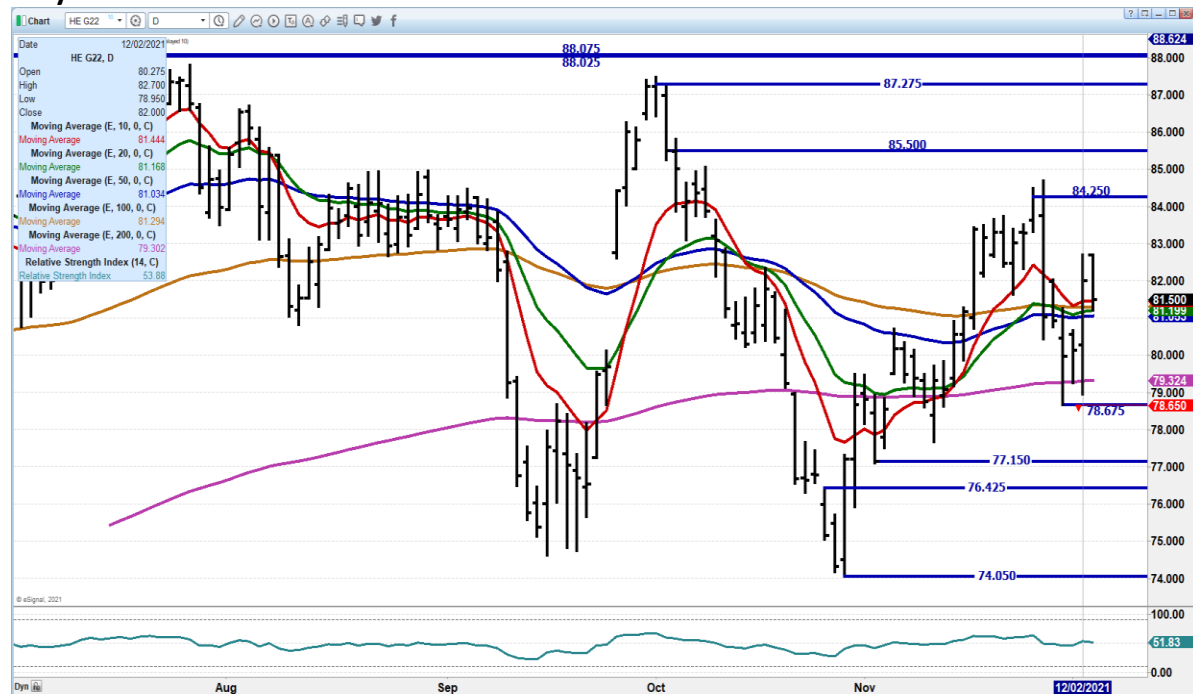
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DECEMBER 2021 LEAN HOGS –



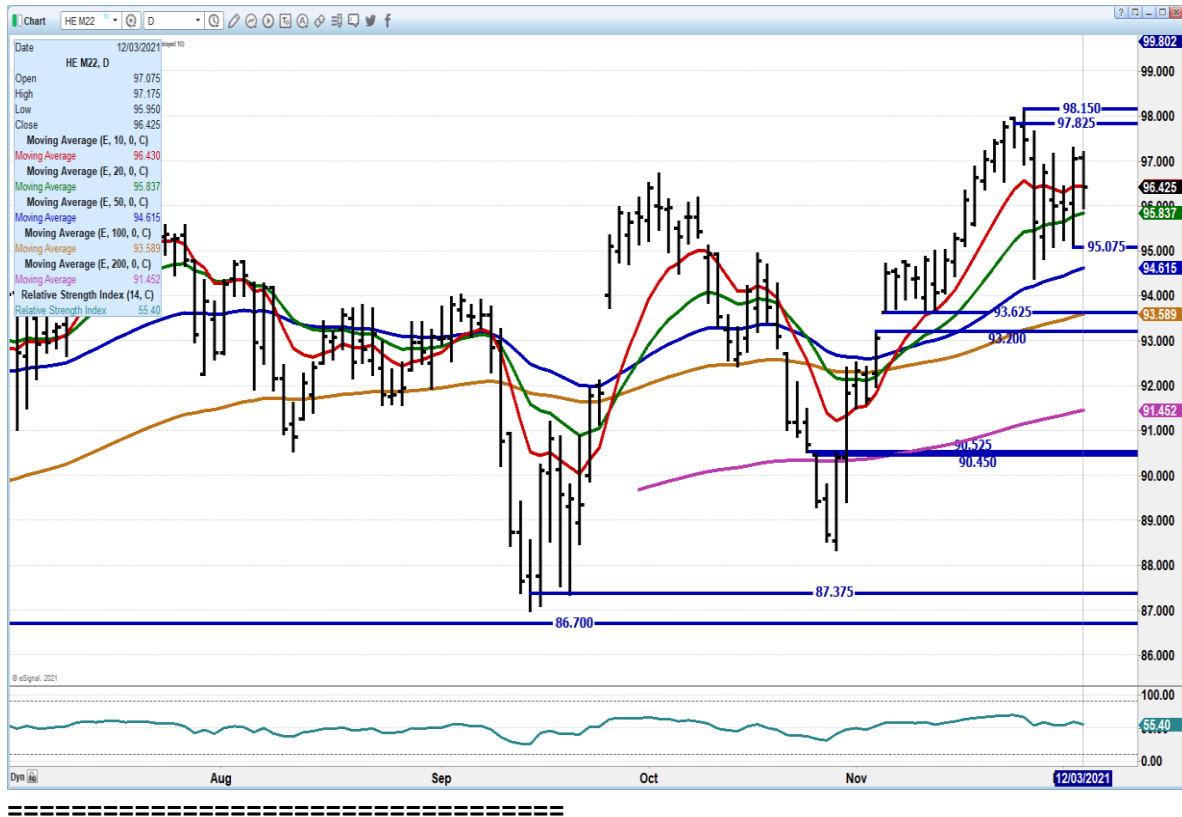
FEBRUARY 2022 LEAN HOGS - Support at 81.00 to 79.32 Resistance at 82.75 Volume at only 13980



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JUNE 2022 LEAN HOGS – Support at 95.80 to 94.50 Resistance at 97.97 Volume a paltry 2713



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