



TUESDAY MORNING JANUARY 19, 2021 LIVESTOCK REPORT

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CATTLE

USDA FEDERAL CATTLE SLAUGHTER

JANUARY 18 , 2021	115,000
WEEK AGO	116,000
YEAR AGO	121,000

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	CHOICE	SELECT
BOXED BEEF FINAL	215.04	205.84
CHANGE FROM PRIOR DAY	2.12	2.76
CHOICE/SELECT SPREAD:		9.20
TOTAL LOAD COUNT		109
5 DAY SIMPLE AVERAGE:	210.82	199.41

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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 15, 2021

Primal Rib	342.98	315.28
Primal Chuck	191.41	189.54
Primal Round	184.31	184.16
Primal Loin	273.53	248.37
Primal Brisket	159.41	158.04
Primal Short Plate	122.77	122.77
Primal Flank	99.78	98.71

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LOAD COUNT AND CUTOUT VALUE SUMMARY

Date	Choice	Select	Trim	Grinds	Total	CHOICE 600-900	SELECT 600-900
01/15	88	16	16	21	140	212.92	203.08
01/14	82	20	7	27	137	213.37	201.07
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

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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	67.18 loads	2,687,113 pounds
Select Cuts	17.24 loads	689,549 pounds
Trimmings	8.77 loads	350,639 pounds
Ground Beef	16.15 loads	645,915 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 01/18/2021
IA/MN – CASH – No Reportable Trade. Dressed. No Reportable Trade.
NE - CASH – No Reportable Trade.
KS – CASH No Reportable Trade.
TX/OK/NM – No Reportable Trade..
CO – No Reportable Trade.

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*****National Daily Direct Cattle 01/18/2021**
5 day accumulated weighted avg)

	Weight	Price	Head
Live Steer:	1486	\$109.41	28,516
Live Heifer:	1369	\$109.24	11,095
Dressed Steer:	970	\$173.03	29,562
Dressed Heifer:	869	\$172.71	8,971

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Last week packers bought cattle \$1.00 to \$3.00 lower. Beef market at this time with close to 3 weeks before February delivery might affect trade but reality the packers are going to only pay for cattle what they want to pay. Weights are coming down especially in the South and Southwest but there are still heavy cattle moving in the Midwest.



Feeder cattle prices indicate packers aren't being aggressive filling their own lots or contract lots.

Spreads are wide and could start to see some narrowing.

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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.

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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 – SPREAD IS WIDE.

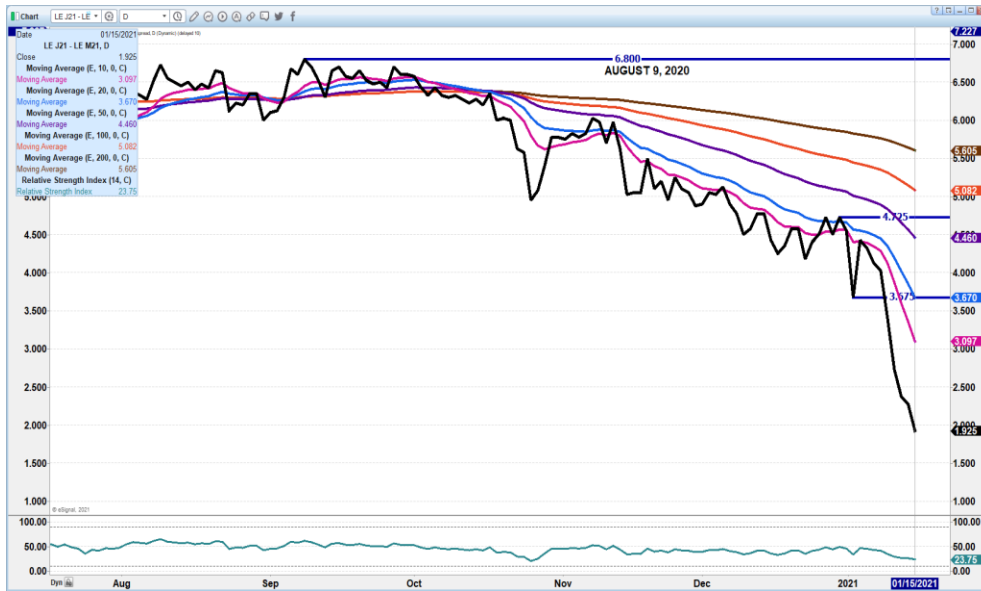




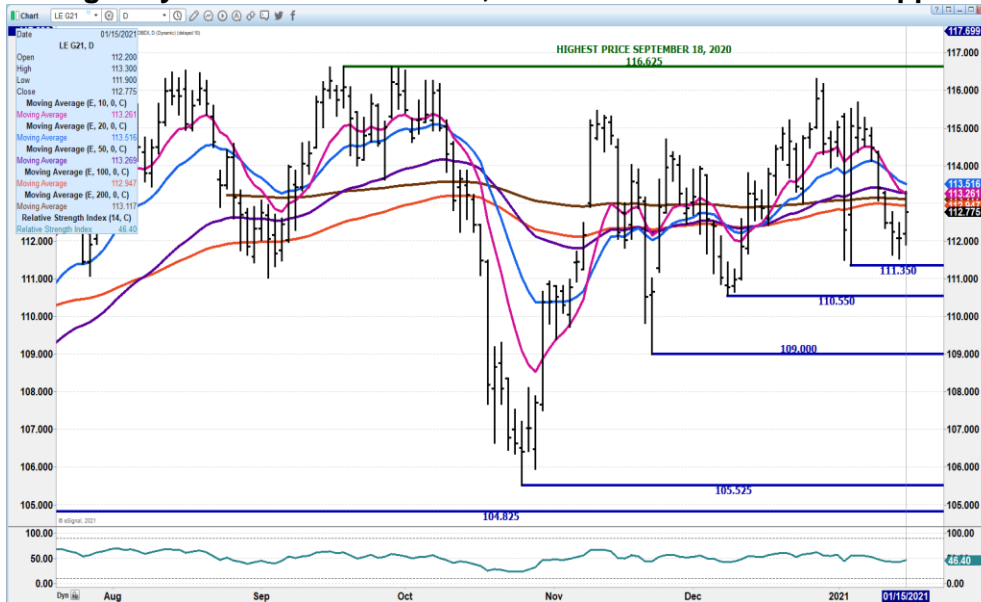
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APRIL/JUNE 2021 LIVE CATTLE SPREAD



FEBRUARY 2021 LIVE CATTLE – Bounce to resistance at 10 day and fell below moving averages by the close. Volume 21,505 Resistance at 113.27 Support at 111.35 to 110.55

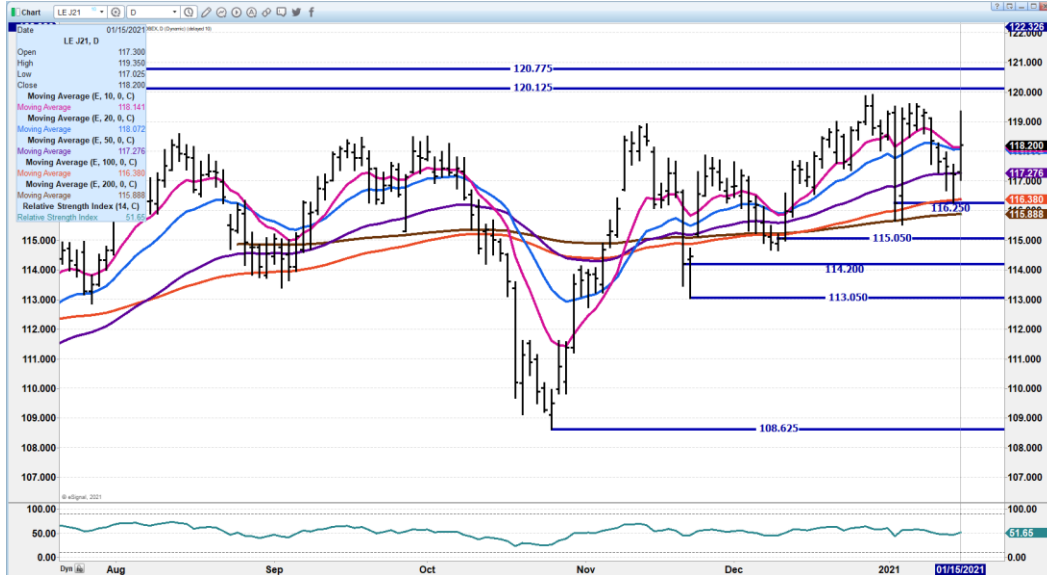


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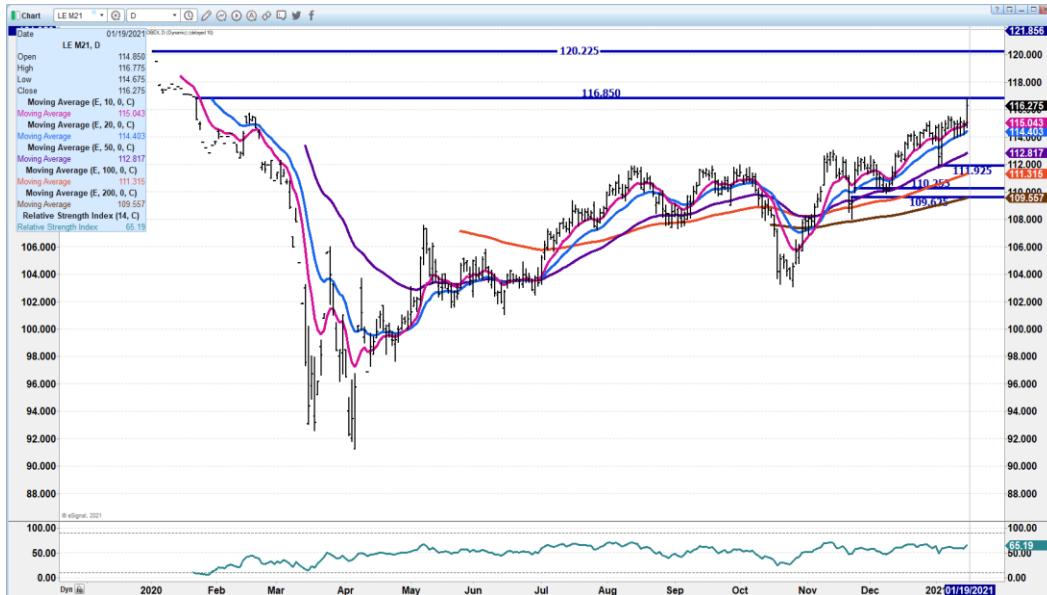
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APRIL 2021 LIVE CATTLE - VOLUME AT 28256 SPREADING CAUSING MUCH OF THE MOVE. RESISTANCE IS LAST WEEKS HIGH AT 119.35 SUPPORT AT 117.27 TO 116.25

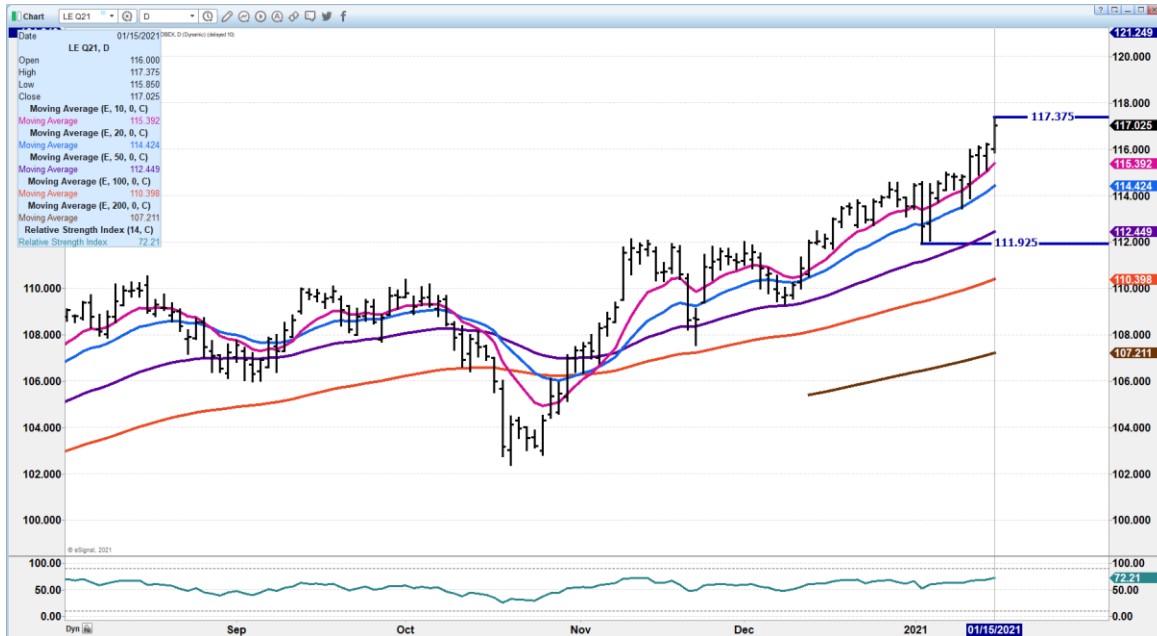


JUNE 2021 LIVE CATTLE – RESISTANCE AT 116.25 TOO 120.22 SUPPORT AT 115.00 TO 114.37





AUGUST 2021 LIVE CATTLE – CONTRACT HIGH IS RESISTANCE AT 117.35 SUPPORT AT 115.37 TO 114.37



Feeder Cattle

THE CME FEEDER INDEX ON 01/14/2020 WAS 134.45 DOWN 1.04 FROM PREVIOUS DAY

JANUARY 2021 FEEDER CATTLE FUTURES SETTLED ON JANUARY 15, 2021 AT \$134.57

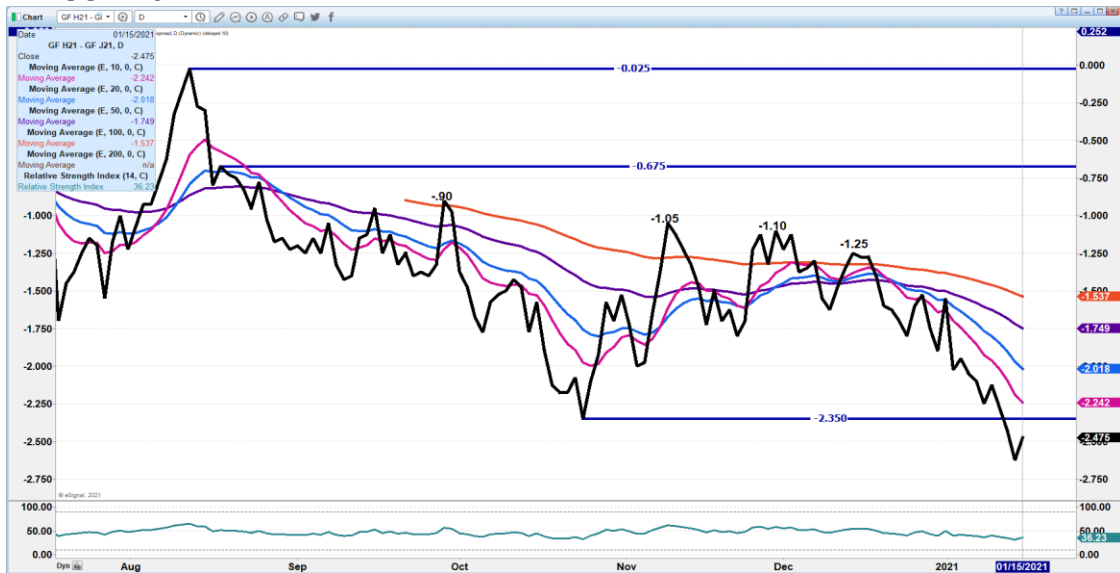
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HIGHER CORN PRICES ARE NEGATIVE TO FEEDER CATTLE FUTURES. FOR GRAIN/CATTLE PRODUCERS WHO MAY HAVE BEEN DECIDING WHETHER TO FEED CATTLE OR SELL GRAIN THE DECISION TO FEED CATTLE OR SELL CORN WAS MADE ON TUESDAY. IT WILL HELP TO KEEP FEEDER CATTLE PRICES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

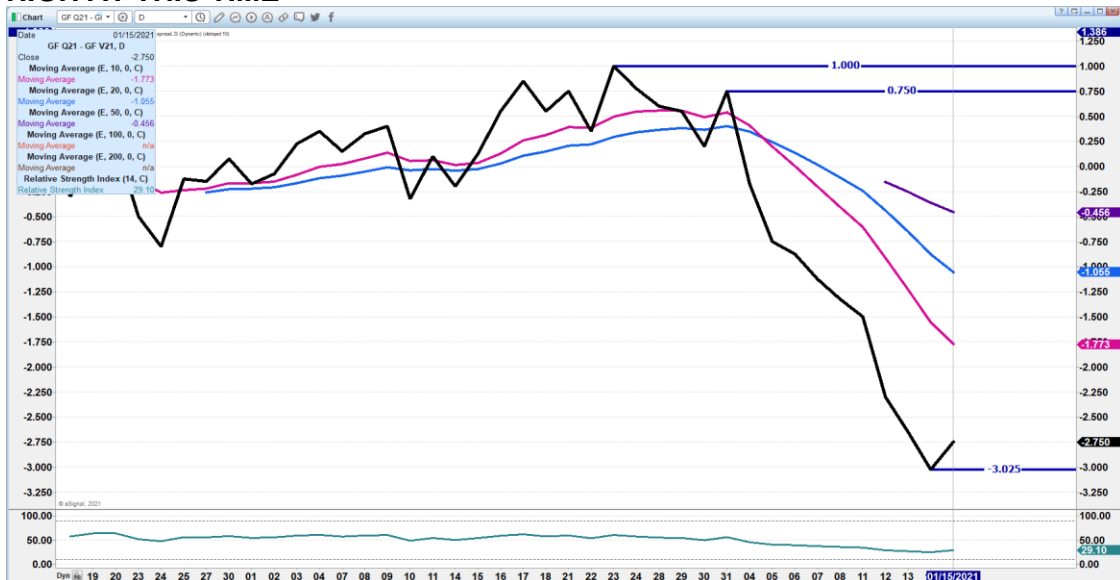
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MARCH 2021/APRIL 2021 FEEDER CATTLE SPREAD - SPREAD WIDENING SHOWING LACK OF BIG BUYERS INTEREST. COULD HAVE BOUNCE TO 10 DAY AVERAGE TO MINUS 2.25



AUGUST/OCTOBER FEEDER CATTLE SPREAD – WATCH SPREAD FOR BOUNCE FALL HIGH AT THIS TIME

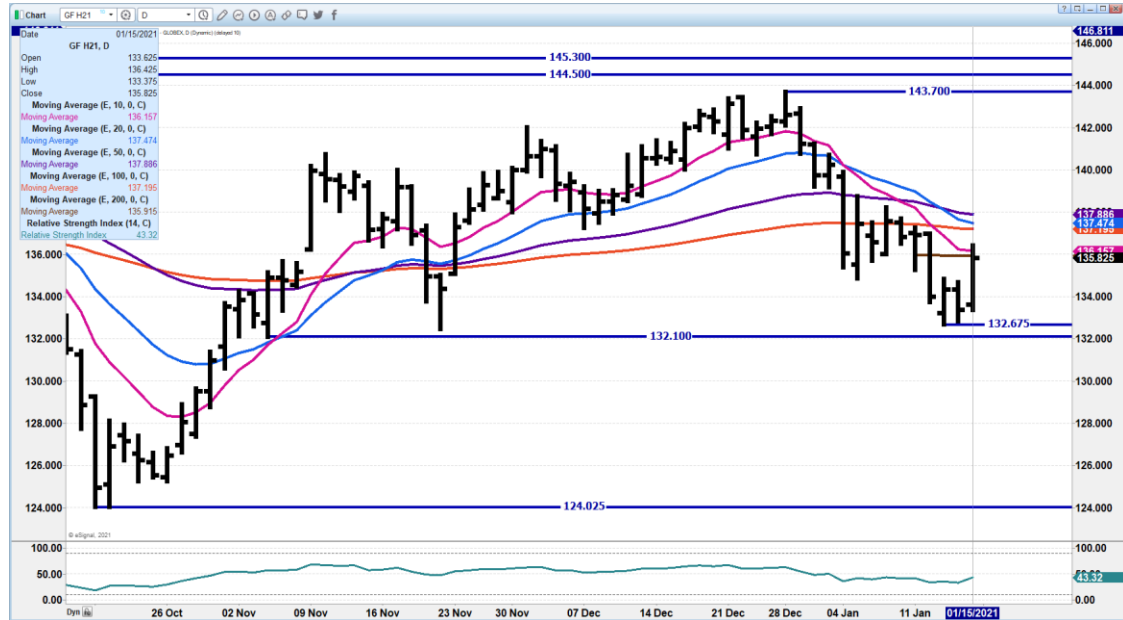


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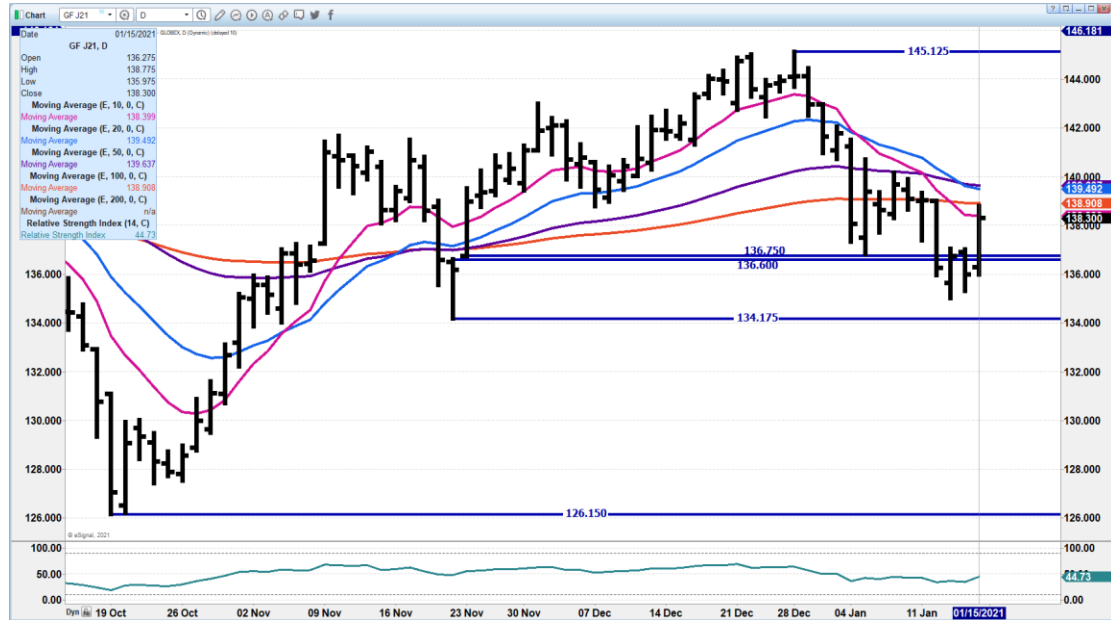
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MAR 2021 FEEDER CATTLE – RESISTANCE AT 136.15 TO 137.87 SUPPORT AT 132.67



APRIL 2021 FEEDER CATTLE – RESISTANCE AT 138.90 SUPPORT AT 136.50





LEAN HOGS

USDA ESTIMATED FEDERAL HOG SLAUGHTER

JANUARY 18, 2021	427,000
WEEK AGO	498,000
YEAR AGO	409,000

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CME CASH HOG INDEX 01/14/2020 AT 65.87 UP 39 CENTS FROM PREVIOUS DAY

CME CASH PORK CUTOUT INDEX 01/14/2021 AT 80.39 UP 14 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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Most speculators have rolled February hog contracts into April. Although there are close to 5 weeks before February expires, biggest specs won't be trading it. Friday, traders were unwinding Feb/April spread as the moved forward. The 5 day pork carcass average early Friday was about \$2.00 higher than a week ago. Carcass weights indicate there are plenty of hogs available.

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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.

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 18, 2021



LOADS OF PORK CUTS: 296.28
LOADS TRIM/PROCESSED PORK: 23.47

FINAL

Date	Loads	Carcass	Loin	Butt	Pic	Rib	Ham	Belly
01/18/2021	319.75	78.52	73.84	69.18	42.85	148.01	74.11	119.38
Change		-1.55	0.00	-0.73	-10.88	0.15	-0.44	0.38
Five Day Average --		79.29	73.46	67.86	47.03	148.81	74.41	121.12

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NATIONAL DAILY DIRECT HOG PRIOR DAY REPORT - SLAUGHTERED SWINE

Slaughter Data for Friday, January 15, 2021 and Saturday, January 16, 2021

Average live weight - 290.57

Average carcass - 218.67

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DAILY DIRECT AFTERNOON HOG REPORT JANUARY 18, 2021

National Negotiated Carcass Price

Lowest price: 44.00

Highest price: 55.86

Weighted Average Price: 55.30

Head Count: 4,785

Other Market Formula (Carcass)

Lowest base price: 49.35

Highest base price: 83.50

Weighted Average Price: 63.98

Head Count: 54,975

Swine/Pork Market Formula (Carcass)

Lowest base price: 52.48

Highest base price: 75.64

Weighted Average Price: 65.07

Head Count: 207,428

Other Purchase Arrangement (Carcass)

Lowest base price: 58.33

Highest base price: 88.12

Weighted Average Price: 73.25

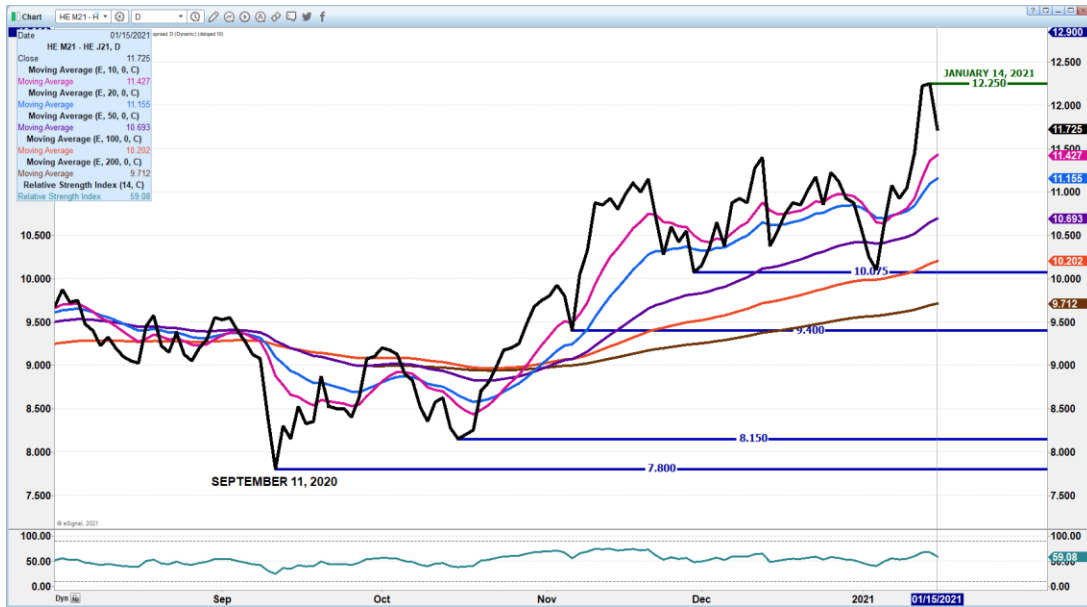
Head Count: 177,667



FEB/APRIL 2021 LEAN HOG SPREAD - Long specs moving out of February to April



JUNE/APRIL LEAN HOG SPREAD – SPREAD IS WIDE AND CHINA WILL HAVE MORE HOGS BY SPRING AS WILL EUROPE AND BRAZIL

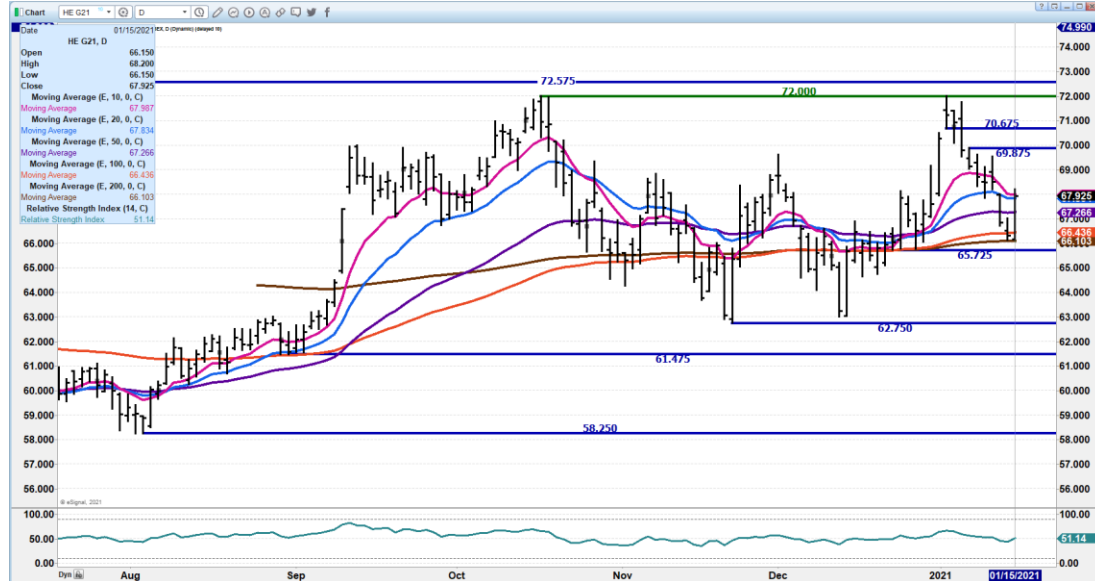


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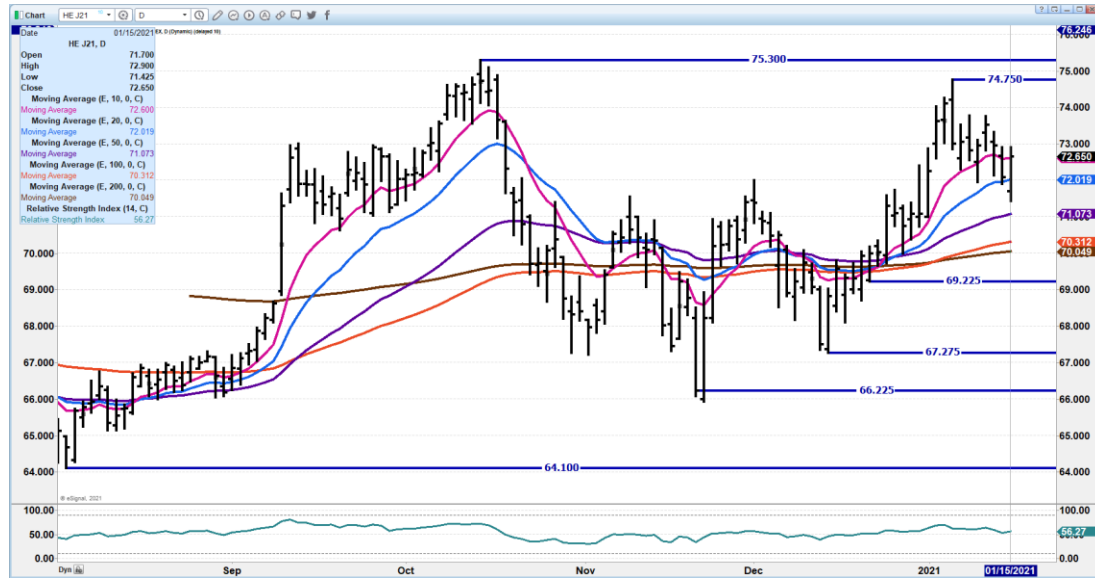
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FEB 2021 LEAN HOGS – RESISTANCE 68.10 TO 69.97 SUPPORT AT 66.10 TO 65.70



APRIL 2021 LEAN HOGS – RESERVE TO 10 DAY AVERAGE REISTANCE AT 73.07 TO 73.65 SUPPORT AT 71.07 TO 70.30

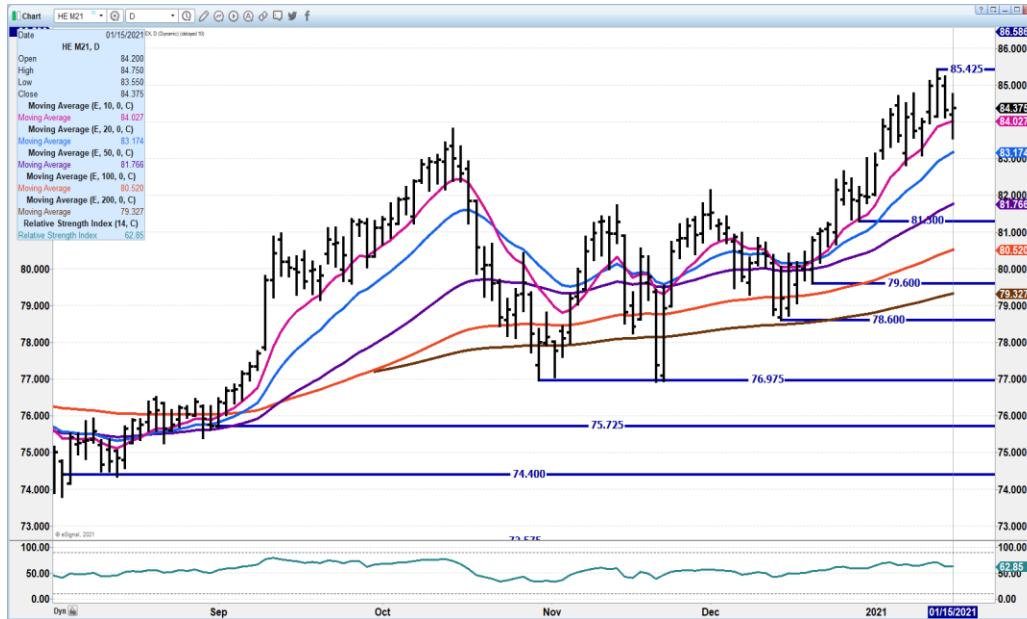


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**JUNE 2021 LEAN HOGS - REISTANCE AT 85.42 SUPPORT AT 84.02 TO 83.17 JUNE
DEPENDENT ON SPREADS**



CHARTS FROM ESIGNAL INTERACTIVE, INC.

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