



## Morning July 29, 2020 Livestock Report

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### CATTLE

#### USDA FEDERAL SLAUGHTER

JULY 28, 2020	119,000
WEEK AGO	118,000
YEAR AGO	119,000
WEEK TO DATE (EST)	236,000
SAME PERIOD LAST WEEK (EST)	235,000
SAME PERIOD LAST YEAR (ACT)	239,000

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	<b>CHOICE</b>	<b>SELECT</b>
<b>BOXED BEEF FINAL</b>	<b>202.96</b>	<b>188.32</b>
<b>CHANGE FROM PRIOR DAY</b>	<b>0.41</b>	<b>(1.81)</b>
<b>CHOICE/SELECT SPREAD:</b>		<b>14.64</b>
<b>TOTAL LOAD COUNT</b>		<b>124</b>
<b>5 DAY SIMPLE AVERAGE:</b>	<b>201.72</b>	<b>190.43</b>

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<b>FINAL JULY 28, 2020</b>	<b>CHOICE</b>	<b>SELECT</b>
Primal Rib	333.39	272.50
Primal Chuck	162.08	159.37
Primal Round	166.12	166.64
Primal Loin	274.91	245.60
Primal Brisket	154.32	138.87
Primal Short Plate	137.52	137.52
Primal Flank	120.11 1	19.38

<b>FINAL JULY 27, 2020</b>	<b>CHOICE</b>	<b>SELECT</b>
Primal Rib	328.73	273.99
Primal Chuck	163.79	160.55
Primal Round	166.58	168.96
Primal Loin	273.30	247.91
Primal Brisket	157.82	150.68
Primal Short Plate	133.38	133.38
Primal Flank	119.24	119.37



**LOAD COUNT AND CUTOUT VALUE SUMMARY FOR PRIOR 5 DAYS**

Date	Choice	Select	Trim	Grinds	Total	CHOICE	SELECT
						600-900	600-900
07/27	58	19	9	8	94	202.55	190.13
07/24	55	26	10	26	117	201.77	190.63
07/23	74	19	9	21	123	202.26	190.79
07/22	58	30	6	31	124	201.15	189.28
07/21	90	22	11	36	159	200.88	191.30

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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	63.99 loads	2,559,616 pounds
Select Cuts	36.71 loads	1,468,556 pounds
Trimmings	14.60 loads	583,838 pounds
Ground Beef	8.68 loads	347,204 pounds

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**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)

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Live cattle futures held support Tuesday morning and closed higher on the day. Volume was moderate similar to Monday. Over the past 5 days Boxed Beef has been steadily improving. The US Dollar is cheap and won't be surprised if next week's exports don't show stronger exports. However with strong spreads moving forward and weaker upfront price, contractors are likely booking beef now against higher prices for fall 2020 and into 2021. Daily boxed beef movement is just a fraction of the total kill. Majority of beef is being contracted. It is highly unlikely packers and meat purveyors are storing. If they had to store unpriced beef, current cash cattle prices would be dropping to pay for their storage.

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**USDA POSTED CATTLE PRICES ON 7/28/2020**  
 IA/MN – CASH n/a; 157.00 DRESSED 161.00 - 170.00 1077 HEAD ACERAGE PRICE 161.29 77 HEAD UP TO 170.00  
 NE - CASH – 95.00 - 97.50 TUESDAY NO DRESSED  
 KS – CASH - NO SALES TUESDAY DRESSED:  
 TX/OK/NM – 95.00 878 HEAD  
 COLORADO – NO SALES TUESDAY



National Daily Direct Cattle July 27, 2020  
(5 day accumulated weighted avg)

	Weight	Price	Head
Live Steer:	1449	\$97.32	39,348
Live Heifer:	1310	\$96.76	18,855
Dressed Steer:	922	\$158.10	23,440
Dressed Heifer:	838	\$157.93	4,728

As of July 28<sup>st</sup> Dressed weights were 878.2 compared to previous week at 878.7. Grading percent was 83.6% compared to previous week at 83.1%.

CHARTS ARE UPDATED ON MORNING REPORTS –

OCT 2020 LIVE CATTLE/OCTOBER 2020 LEAN HOGS – Look for cattle to gain on hogs





**AUGUST 2020 LIVE CATTLE/OCTOBER 2020 LIVE CATTLE - Spreading in favor of August..**



**AUGUST 2020 LIVE CATTLE – Support on the 20 day moving average at 100.25 Next support at 97.67 Resistance at 103.77 to 105.97**



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**OCTOBER 2020 LIVE CATTLE** – Volume 20,112 about the same as past two days. Resistance is 106.87 Support at 104.05 to 102.37



## Feeder Cattle

THE CME FEEDER INDEX ON 07/27/2020 IS 139.77 DOWN 22 CENTS FROM PREVIOUS DAY -

AUGUST 2020 FEEDER CATTLE SETTLED AT 140.70 ON JULY 28, 2020.

### NATIONAL FEEDER & STOCKER CATTLE SUMMARY – WEEK ENDING 07/24/2020

RECEIPTS:	AUCTIONS	DIRECT	VIDEO/INTERNET	TOTAL
THIS WEEK:	128,100	79,500	96,600	304,200
THIS WEEK:	149,100	96,100	325,400	570,600
YEAR AGO:	131,200	62,500	113,800	307,500

COMPARED TO LAST WEEK, STEERS AND HEIFERS SOLD STEADY TO 4.00 HIGHER. SALE BARNs IN THE NORTHERN PLAINS ARE ON THEIR SUMMERTIME SCHEDULES

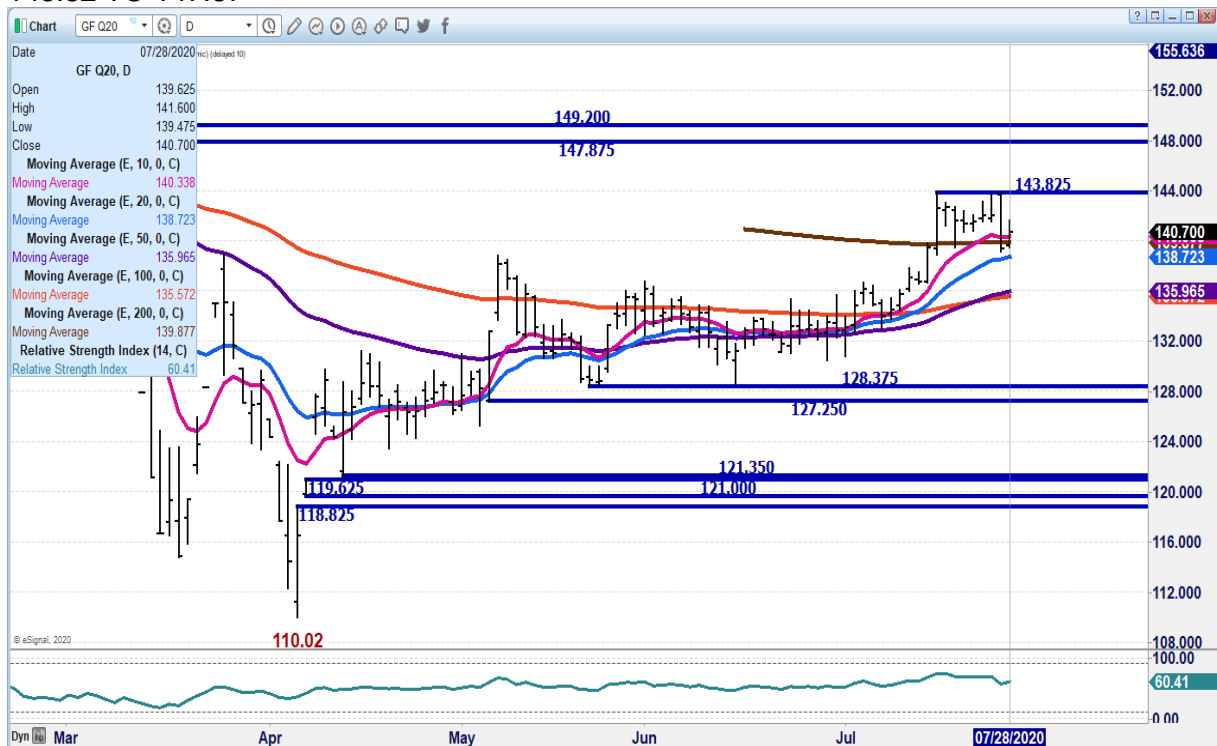
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AND ARE PIECING TOGETHER LARGER SALES EVERY OTHER WEEK AS A BIDDING COMPETITION CAN OCCUR WHEN THOSE LONG STRINGS OF YEARLINGS COMING OFF SUMMER GRASS OR OUT OF BACKGROUNDING YARDS ARE MET WITH GOOD TO VERY GOOD DEMAND. PLENTY OF BUYERS IN THE SEATS THIS TIME OF YEAR AS BUYER'S COMMISSIONS CAN SOMETIMES BE FEW AND FAR BETWEEN DURING THE DOG DAYS OF SUMMER AND NO ONE WANTS TO MISS OUT ON A POSSIBLE DEAL. THOSE LONG-TIME YEARLINGS ARE ALWAYS IN DEMAND THIS TIME OF YEAR WITH MANY OLD TIMERS PREPARED TO GET THEM MARKETED BEFORE THE LABOR DAY HOLIDAY.

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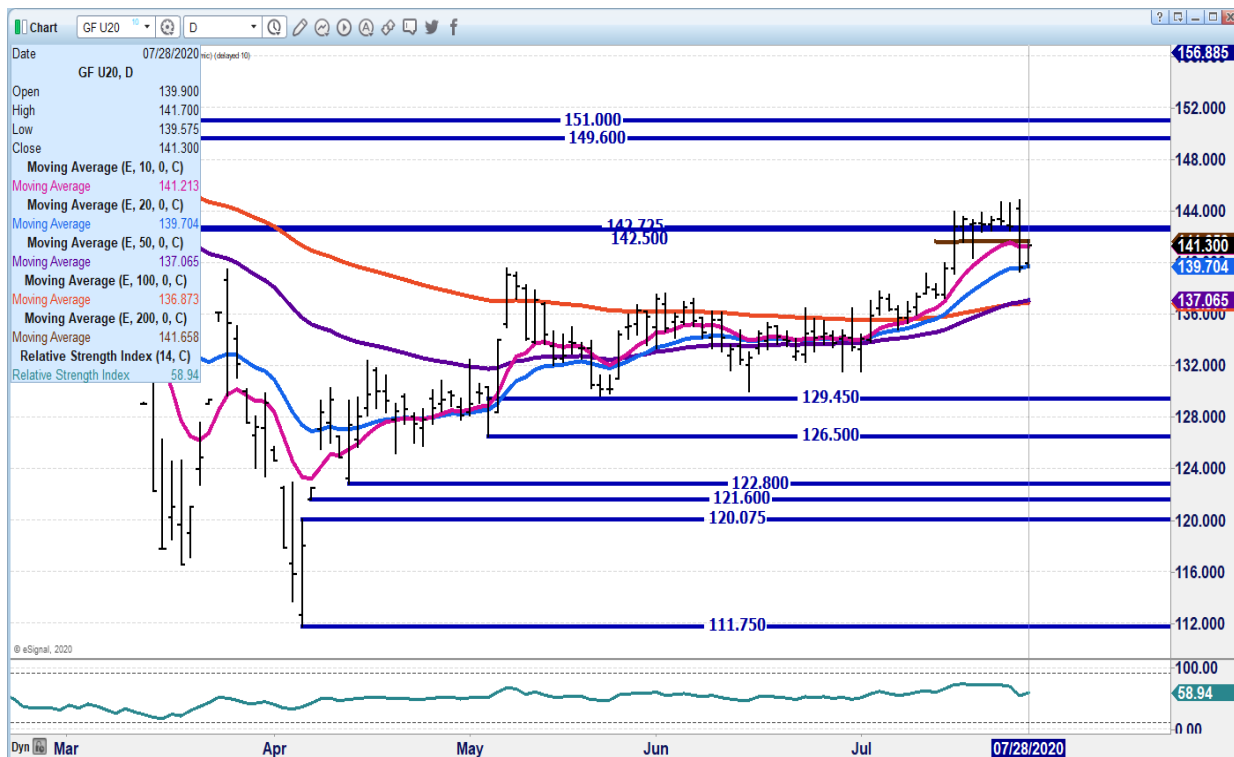
AUGUST 2020 FEEDER CATTLE – SUPPORT IS 138.72 TO 135.55 RESISTANCE IS 143.82 TO 147.87



SEPTEMBER 2020 FEEDER - LIGHT VOLUME OF 4898 RESISTANCE IS 141.65 TO 144..80 SUPPORT AT 139.70 TO 137.00



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## LEAN HOGS

### USDA ESTIMATED FEDERAL HOG SLAUGHTER

JULY 28, 2020	475,000
WEEK AGO	473,000
YEAR AGO	468,000
WEEK TO DATE (EST)	930,000
SAME PERIOD LAST WEEK (EST)	943,000
SAME PERIOD LAST YEAR (ACT)	918,000

**\*\*REVISED MONDAY HOG SLAUGHTER..455,000\*\* PREVIOUS ESTIMATE 477,000**

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CME CASH HOG INDEX 07/24/2020 AT 50.23 UP 10 CENTS FROM PREVIOUS DAY.  
 CME CASH PORK CUTOUT INDEX 07/27/2020 AT 70.65 DOWN 54 CENTS FROM PREVIOUS DAY.

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CME CASH FRESH BACON INDEX ON 7/24/2020 WAS 130.93 COMPARED TO 07/17/2020 WAS 132.05

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Following daily movement of pork cutout is going to be confusing. At this time wait until the settlement.

### Have Hams and Bellies Been Cornered?

With the big swings in the ham and belly markets, it is looking like hams and bellies have been “cornered. Now, hand to mouth daily buyers that need inventory have to pay up for what is available . It could be Mexico that has cornered hams and bellies. Mexico for years has been a consistent and strong buyer of hams and bellies. Hams and bellies have been cheap, and both lagged behind other primal cuts all spring up to July.

Both cuts for years have been favored cuts in Mexico where they are trimmed out and sold as trimmings or processed into sausage products. US pork loins are too lean especially for further processing. US pork loins aren’t just the other white meat but are just like boneless chicken breast. There is a reason why the last cold storage report showed a record high storage of Chicken Breast and White Meat and the reason is exporters don’t want super lean pork and chicken.

Pork market has been concentrating on China when year after year, Mexico buys more US pork than Mainland China and Hong Kong buy combined. It may be different in 2020 with huge 1<sup>st</sup> quarter buy from China, but since May, China has dramatically slowed down.

### Hong Kong/China

Volume

(Metric Tons)

2019	103,220
2018	130,129
2017	133,746
2016	112,770
2015	120,905
2014	154,591
2013	130,112
2012	68,185
2011	51,772





Mexico  
Volume  
(Metric Tons)

2019	236,707
2018	239,110
2017	237,972
2016	242,373
2015	225,574
2014	242,566
2013	216,386
2012	192,989
2011	256,938
2010	247,614

Statistics provided by U.S. government and compiled by U.S. Meat Export Federation  
[www.USMEF.org](http://www.USMEF.org)

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**JULY 28, 2020 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 FINAL**

LOADS OF PORK CUTS: 357.65  
LOADS TRIM/PROCESSED PORK : 37.78

Date	Loads	Carcass	Loin	Butt	Pic	Rib	Ham	Belly
07/28/2020	395.43	69.41	67.59	70.59	47.83	116.32	65.71	94.01
CHANGE :		-1.89	-2.22	-0.50	1.01	2.54	-2.91	-4.82
Five Day Average --		70.05	68.58	69.14	44.93	112.82	68.13	96.46

**MORNING**

Date	Loads	Carcass	Loin	Butt	Pic	Rib	Ham	Belly
07/28/2020	222.14	79.18	71.08	70.60	46.08	117.26	81.93	124.80
CHANGE :		7.88	1.27	-0.49	-0.74	3.48	13.31	25.97
Five Day Average --		72.00	69.28	69.14	44.58	113.01	71.38	102.62

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**NATIONAL DAILY DIRECT HOG PRIOR DAY REPORT - SLAUGHTERED SWINE**

Slaughter Data for JULY 27, 2020

Average carcass weight - 277.39  
Average live weight - 208.51  
[https://www.ams.usda.gov/mnreports/ams\\_2511.pdf](https://www.ams.usda.gov/mnreports/ams_2511.pdf)



**DAILY DIRECT HOGS PLANT DELIVERED AS OF 1:30 PM JULY 28, 2020  
NATIONAL NEGOTIATED PURCHASE BASE CARCASS PRICES**

Carcass Base Price: \$32.00 - \$44.00  
Weighted Average: \$42.61,  
Change from Prior Day: 02 lower  
HOGS SOLD: 12,786

**SWINE OR PORK MARKET FORMULA PURCHASE (Including Packer Sold)**

PRICE RANGE: \$33.00 - \$67.73  
Weighted Average \$52.44 PREVIOUS DAY \$51.02  
HOGS SOLD: 160,074

**NATIONAL NEGOTIATED LIVE HOG PURCHASE PRICE**

PRICE RANGE: \$31.50 - \$34.00  
Weighted Average: \$32.44  
Change from Prior Day: 1.62 higher  
Hogs sold: 584

[https://www.ams.usda.gov/mnreports/lm\\_hg203.txt](https://www.ams.usda.gov/mnreports/lm_hg203.txt)

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**AUGUST 2020 LEAN HOGS – Remaining above 20 day average puts next resistance at 58.02  
Support at 52.30**





**OCTOBER 2020 LEAN HOGS - Resistance at 51.47 to 52.10 Support at 50.37 to 49.02**



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