



Morning August 12, 2020 Livestock Report

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CATTLE

USDA FEDERAL SLAUGHTER

AUGUST 11, 2020	117,000
WEEK AGO	116,000
YEAR AGO	117,000
WEEK TO DATE (EST)	230,000
SAME PERIOD LAST WEEK (EST)	229,000
SAME PERIOD LAST YEAR (ACT)	232,000

****Revised Monday Cattle Slaughter..113,000** Previous estimate 117,000**

	CHOICE	SELECT
BOXED BEEF FINAL	208.08	195.02
CHANGE FROM PRIOR DAY	0.88	1.09
CHOICE/SELECT SPREAD:		13.06
TOTAL LOAD COUNT		156
5 DAY SIMPLE AVERAGE:	205.03	191.99
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FINAL AUGUST 11, 2020	CHOICE	SELECT
Primal Rib	348.28	306.01
Primal Chuck	161.66	159.86
Primal Round	169.58	169.50
Primal Loin	288.47	254.72
Primal Brisket	150.56	144.66
Primal Short Plate	138.22	138.22
Primal Flank	120.97	114.07
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FINAL AUGUST 10, 2020	CHOICE	SELECT
Primal Rib	341.71	306.34
Primal Chuck	163.13	157.61
Primal Round	168.66	168.95
Primal Loin	284.53	252.20
Primal Brisket	149.57	140.22
Primal Short Plate	144.92	144.92
Primal Flank	122.30	112.23



LOAD COUNT AND CUTOFF VALUE SUMMARY FOR PRIOR 5 DAYS

Date	Choice	Select	Trim	Grinds	Total	CHOICE 600-900	SELECT 600-900
08/10	64	20	9	15	108	207.20	193.93
08/07	64	15	16	21	116	205.47	192.75
08/06	90	15	18	20	143	204.66	192.01
08/05	79	30	8	35	152	203.57	190.82
08/04	83	26	12	39	160	204.24	190.45

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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	84.28 loads	3,371,205 pounds
Select Cuts	23.42 loads	936,920 pounds
Trimmings	19.12 loads	764,684 pounds
Ground Beef	28.68 loads	1,147,231 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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DELIVERY NOTICE SERVED – AUGUST 2020 - LIVE CATTLE
SETTLEMENT: AUGUST 11, 2020 - \$104.65
OLDEST LONG: 03/02/20 SETTLEMENT \$104.35
6 – DELIVERIES

FIRM #	FIRM NAME	DEL	REC
800	MAREX SPEC		6
685	R.J.O'BRIEN ASSOC	8	6
826	INTL FCSTONE FINAN	3	
905	ADM INVESTOR SERVICE	1	

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Wednesday, the Fed Cattle Exchange will have 890 head, 4 lots from Kansas and 3 lots from Texas. The number of head at this sale is back to levels before packers were backing up cattle. It is likely good indication packers are current and vast majority of cattle that were backed up are now killed.

Choice rib and loin sections starting out Wednesday with big gains. Select Chicks also up big. Volume pretty decent. By this afternoon total movement should be near 200 loads. Beef is moving.



Cash cattle in the Midwest and North are in line with futures with most cattle bringing last week from \$102.00 up to \$105. Cattle in the South and Southwest are discount to futures. Inventories in the Midwest are less compared to the Southwest. Last week cattle were being moved from Kansas to Nebraska. Large Saturday kills have made up for cattle backed up in Midwest. Moving cattle from Kansas north will clean up Kansas feedlots.

Feedlots asking \$2.00 higher this week.

Keep an eye on weights. A drop in weights will indicate packers need cattle and are current.

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USDA POSTED CATTLE PRICES ON 8/11/2020
IA/MN –CASH SALES 102.00 - 105.00 DRESSED 165.00
NE - CASH – 105.00 DRESSED NONE
KS – CASH – 103.00 DRESSED: NONE
TX/OK/NM – NONE
COLORADO – NONE

National Daily Direct Cattle AUGUST 11, 2020
(5 day accumulated weighted avg)

	Weight	Price	Head
Live Steer:	1449	\$101.35	35,297
Live Heifer:	1295	\$101.11	19,931
Dressed Steer:	929	\$163.16	13,795
Dressed Heifer:	835	\$163.08	3,366

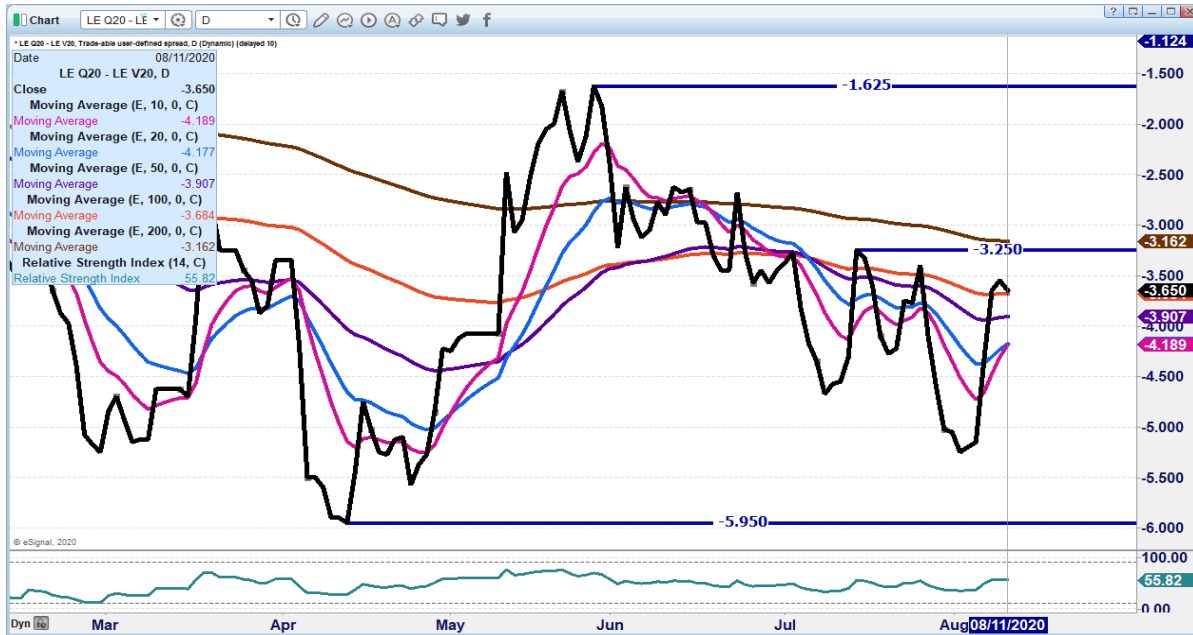
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As of August 11th Dressed weights were 876.6 compared to previous week at 878.1. Compared to a year ago weights are 25 pounds over a year ago and down 6 from a week ago. Grading percent was 83.5% compared to previous week at 83.0%.

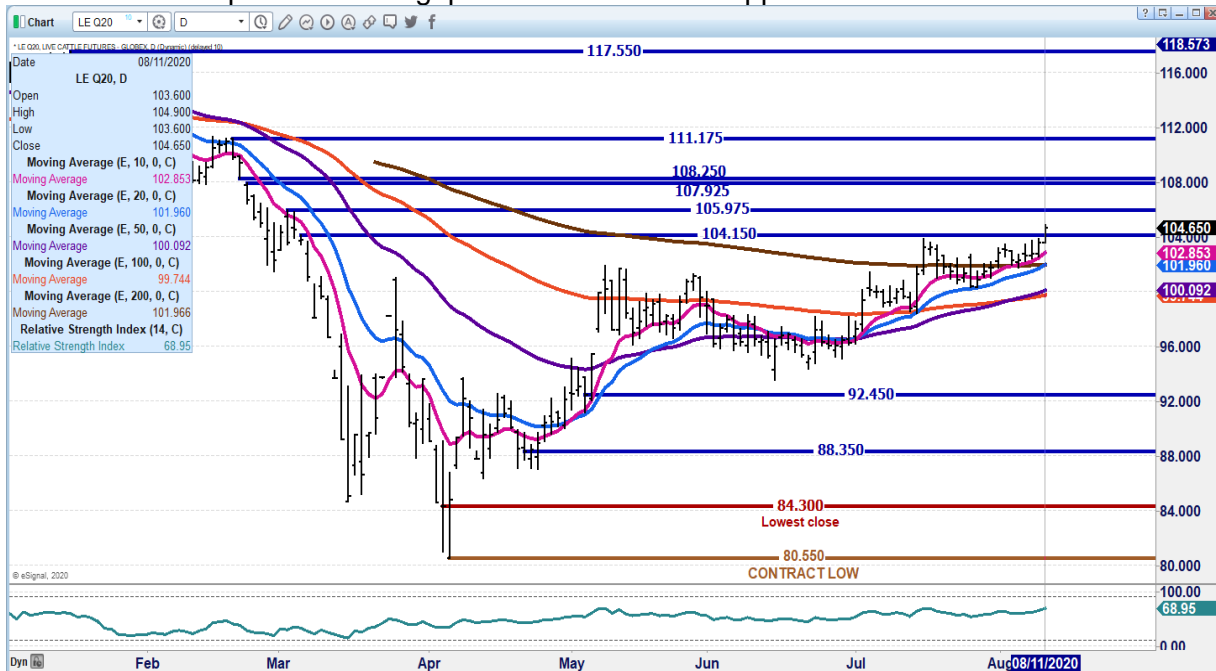
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CHARTS ARE UPDATED ON MORNING REPORTS –

AUGUST 2020 LIVE CATTLE/OCTOBER 2020 LIVE CATTLE – Spread is a bit wider indicating bear spreading. A close over \$3.00 or tighter would be friendlier



AUGUST 2020 LIVE CATTLE – Strong close. With a few head in Iowa paid \$106 Tuesday, next resistance up at 105.97 to gap at 107.92/108.25 Support 102.85 to 101.87

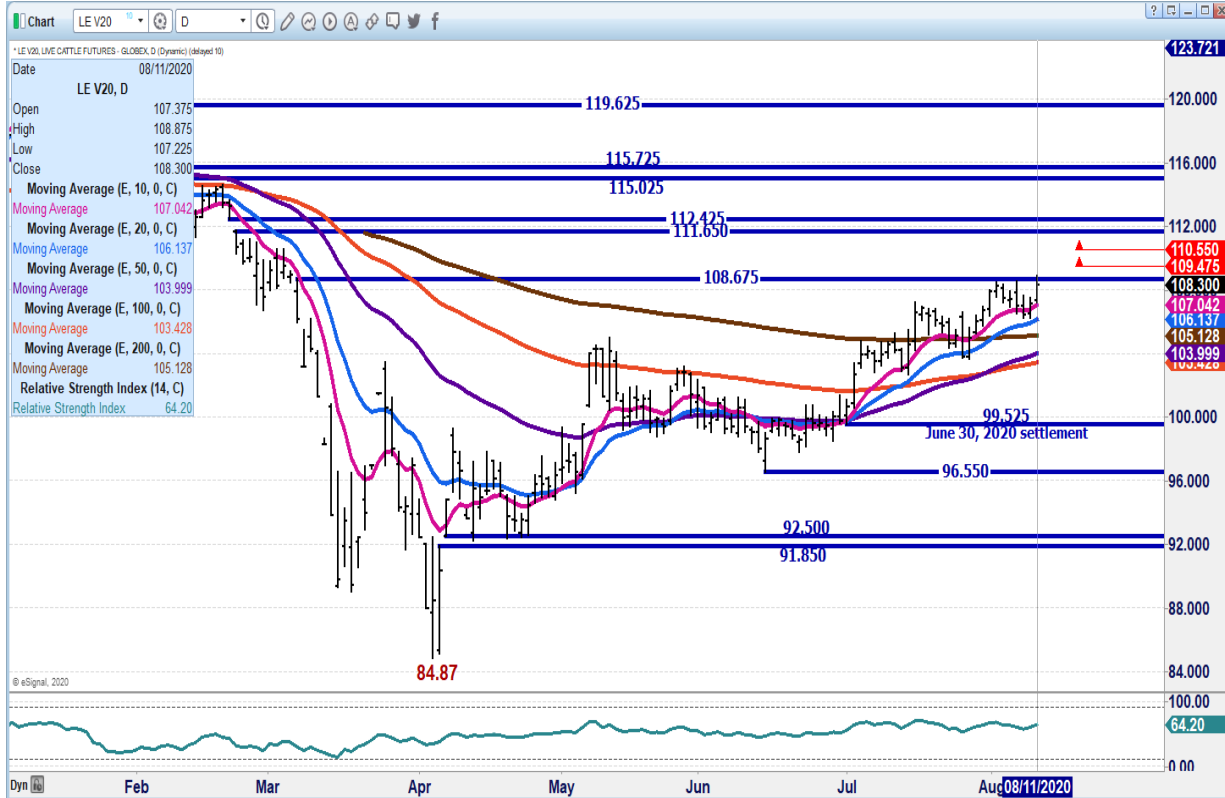


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OCTOBER 2020 LIVE CATTLE – Volume 23,724 Resistance at 108.67 to 110.52 Support at 107.02 to 106.10



Feeder Cattle

THE CME FEEDER INDEX ON 08/10/2020 IS 142.33 DOWN 28 FROM PREVIOUS DAY UPDATE ON MORNING CUTOUT
AUGUST 2020 FEEDER CATTLE SETTLED AT 144.50 ON AUGUST 11, 2020.

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NATIONAL FEEDER & STOCKER CATTLE SUMMARY – WEEK ENDING 08/07/2020

RECEIPTS:	Auctions	Direct	Video/Internet	Total
This Week:	171,800	66,400	261,400	499,600
Last Week:	136,100	48,500	400	185,000
Year Ago:	154,600	58,100	241,400	454,100



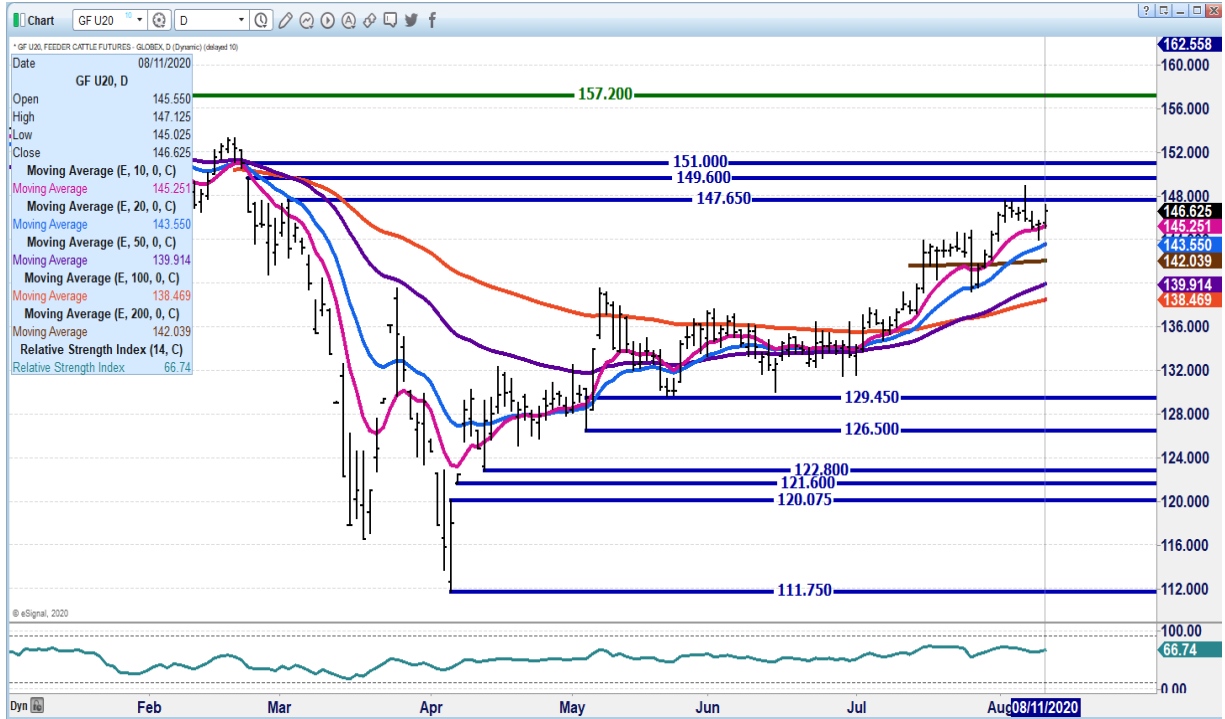
COMPARED TO LAST WEEK, STEERS AND HEIFERS SOLD STEADY TO 3.00 HIGHER. ORDER BUYERS AND FARMER FEEDERS WERE FRONT AND CENTER READY TO PROCURE CATTLE THROUGHOUT THIS WEEK.

[HTTPS://WWW.AMS.USDA.GOV/MNREPORTS/SJ_LS850.TXT](https://www.ams.usda.gov/mnreports/sj_ls850.txt)

AUGUST 2020 FEEDER CATTLE – 10 DAY MOVING AVERAGE SUPPORT AT 143.40 TO 141.97 RESISTANCE AT 146.12 TO 147.87



SEPTEMBER 2020 FEEDER - STRONG RESISTANCE AT 147.65 TO 149.60 SUPPORT AT 145.25 TO 143.55



LEAN HOGS

USDA ESTIMATED FEDERAL HOG SLAUGHTER

AUGUST 11, 2020	458,000	
WEEK AGO	459,000	
YEAR AGO	475,000	
WEEK TO DATE (EST)		915,000
SAME PERIOD LAST WEEK (EST)		879,000
SAME PERIOD LAST YEAR (ACT)		931,000

****REVISED MONDAY HOG SLAUGHTER..457,000** PREVIOUS 482,000**

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CME CASH HOG INDEX 08/07/2020 AT 53.02 UP 58 CENTS FROM PREVIOUS DAY.

CME CASH PORK CUTOUT INDEX 08/10/2020 AT 68.82 UP 68 CENTS FROM PREVIOUS DAY.



CME CASH FRESH BACON INDEX ON 8/7/2020 WAS 134.40 COMPARED TO 7/31/2020 WAS 128.62

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 August settled at 53.07 right in line with CME Lean Hog Index. Cash lean hog market on direct hogs down \$1.25 for Monday and Tuesday. Weights are dropping showing hogs current. Packer margins last week lost about \$18.00/head. Packers aren't going to push prices and lose margins. China is saying going forward, they will buy pork but not in the large tonnage of early 2020.

With Cheap dollar Mexico should remain strong buyer.

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 The Hog pork carcass price compared to the 5 day average was 34 cents higher. Movement of 424 loads has been about average of late. Loins are up 3.50 from the average and hams down \$4.12. Bellies up about 1.25, butts up 3.06 picnics down around \$1.00 and ribs essentially steady

Basing hog prices on pork movement on daily prices has become a lesson in futility. It is better to base pork price movement on what changes take place from one week to the next.

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 For Monday hogs lost two pounds from the combined Friday and Saturday slaughter. Keep an eye on weights. Lowering weights will show how packers need hogs. A drop in weights and revision down in slaughter good indication packers need hogs and likely are pulling hogs forward.

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AUGUST 11, 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

LOADS OF PORK CUTS: 393.49
 LOADS TRIM/PROCESSED PORK : 30.88
 FINAL 8/11/2020

Date	Loads	Carcass	Loin	Butt	Pic	Rib	Ham	Belly
08/011/2020	424.37	70.39	73.57	77.17	48.73	120.47	47.84	110.15
CHANGE :		0.32	2.05	2.08	-0.98	-0.65	-1.05	-0.49
Five Day Average --		70.05	70.07	74.11	49.79	120.25	51.96	108.70



NOON 8/10/2020

Date	Loas	Carcass	Loin	Butt	Pic	Rib	Ham	Belly
08/011/2020	222.12	75.09	74.74	78.52	56.52	122.37	59.55	112.75
CHANGE :		5.02	3.22	3.43	6.81	1.25	10.66	2.11
Five Day Average --		70.99	70.30	74.38	51.34	120.63	54.30	109.22

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NATIONAL DAILY DIRECT HOG PRIOR DAY REPORT - SLAUGHTERED SWINE
Slaughter Data for AUGUST 10, 2020

Average carcass weight - 277.12
Average live weight - 207.91
https://www.ams.usda.gov/mnreports/ams_2511.pdf

DAILY DIRECT HOGS PLANT DELIVERED AS OF 1:30 PM AUGUST 11, 2020
NATIONAL NEGOTIATED PURCHASE BASE CARCASS PRICES
Carcass Base Price: \$36.00 - \$38.99
Weighted Average: \$37.42,
Change from Prior Day: 1.01 lower
HOGS SOLD: 12,390

SWINE OR PORK MARKET FORMULA PURCHASE (Including Packer Sold)
PRICE RANGE: \$37.68 - \$66.67
Weighted Average \$53.03 PREVIOUS DAY \$53.03
HOGS SOLD: 149,329

https://www.ams.usda.gov/mnreports/lm_hg203.txt

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AUGUST 2020 LEAN HOGS – Above 50 day moving average. Strong support at 51.67
Resistance 55.27



**OCTOBER 2020 LEAN HOGS - Double top at 100 day average now resistance at 54.00
Support at 50.95 Volume 19428**



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