



Morning September 08, 2020 Livestock Report

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CATTLE

USDA FEDERAL SLAUGHTER

SEPTEMBER 04, 2020	115,000
WEEK AGO,	116,000
YEAR AGO,	118,000
SATURDAY 09/05/2020	44,000 - A WEEK AGO 66,000, YEAR AGO 102,000
WEEK TO DATE (EST)	633,000
SAME PERIOD LAST WEEK (EST)	654,000
SAME PERIOD LAST YEAR (ACT)	571,000
2020 YEAR TO DATE	21,626,000
*YEAR TO DATE	22,624,000
Percent change year to date	-4.4%

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	CHOICE	SELECT
BOXED BEEF FINAL 9/04/2020	225.85	209.30
CHANGE FROM PRIOR DAY	(1.39)	(3.20)
CHOICE/SELECT SPREAD:		16.55
TOTAL LOAD COUNT		108
5 DAY SIMPLE AVERAGE:	228.10	214.25

PREVIOUS WEEK 08/28/2020

BOXED BEEF FINAL	229.40	214.86
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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 SEPTEMBER 04, 2020	CHOICE	SELECT
Primal Rib	379.70	337.86
Primal Chuck	176.83	173.02
Primal Round	174.68	176.21
Primal Loin	324.33	277.86
Primal Brisket	170.34	149.06
Primal Short Plate	141.62	141.62
Primal Flank	112.32	110.49



PREVIOUS WEEK

FINAL AUGUST 28, 2020

	CHOICE	SELECT
Primal Rib	376.75	334.88
Primal Chuck	180.10	183.20
Primal Round	179.39	183.16
Primal Loin	334.13	281.65
Primal Brisket	165.41	158.36
Primal Short Plate	141.79	141.79
Primal Flank	112.74	112.06

LOAD COUNT AND CUTOUT VALUE SUMMARY FOR PRIOR 5 DAYS

Date	Choice	Select	Trim	Grinds	Total	CHOICE 600-900	SELECT 600-900
09/03	90	25	9	23	148	227.24	212.50
09/02	53	19	26	16	114	227.58	213.82
09/01	61	20	26	17	124	228.34	214.75
08/31	39	10	11	14	73	227.95	215.32
08/28	73	12	20	10	114	229.40	214.86

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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	61.65 loads	2,465,875 pounds
Select Cuts	8.78 loads	351,330 pounds
Trimming	12.35 loads	494,109 pounds
Ground Beef	25.42 loads	1,016,817 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)

USDA POSTED CATTLE PRICES ON 9/04/2020

IA/MN –CASH 102.50 - 104.00 DRESSED 162.00
NE - CASH – NO CASH SALES FRIDAY : 162.00
KS – CASH – 102.00 DRESSED : NO DRESSED SALES FRIDAY
TX/OK/NM – 102.00
CO – CASH **Information not available due to confidentiality**



National Daily Direct Cattle SEPTEMBER 04, 2020
(5 day accumulated weighted avg)

	Weight	Price	Head
Live Steer:	1459	\$103.17	28,681
Live Heifer:	1313	\$102.96	13,226
Dressed Steer:	950	\$163.14	14,973
Dressed Heifer:	851	\$162.91	4,796

PREVIOUS WEEK

National Daily Direct Cattle AUGUST 28, 2020
(5 day accumulated weighted avg)

	Weight	Price	Head
Live Steer:	1454	\$105.31	35,388
Live Heifer:	1305	\$105.16	23,477
Dressed Steer:	952	\$167.14	22,018
Dressed Heifer:	810	\$167.77	5,608

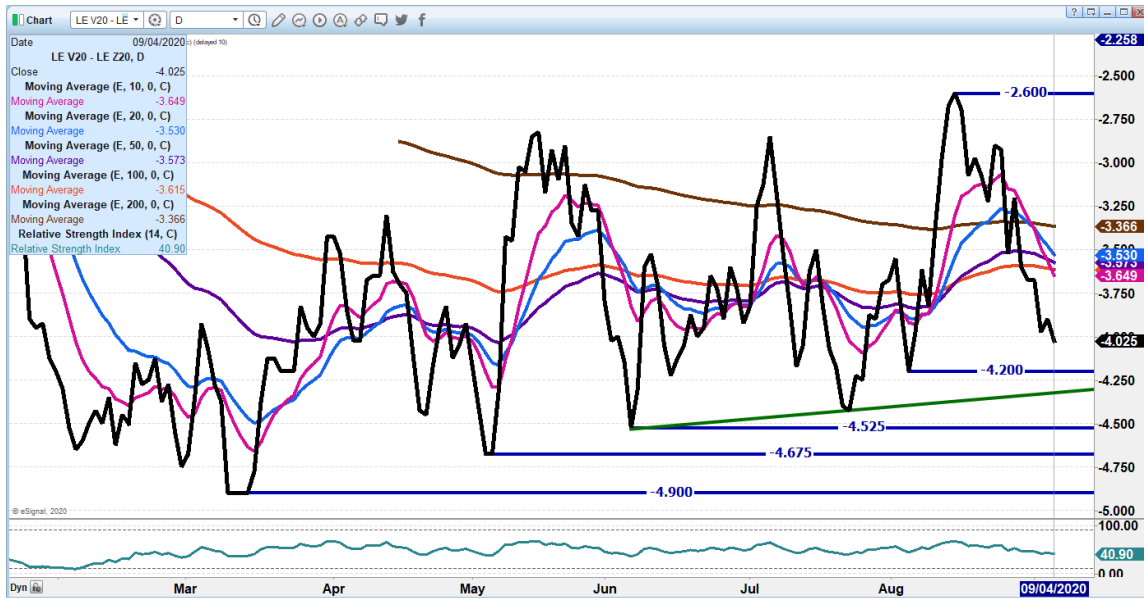
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Last week cash cattle down by the end of the week \$2.00 lower. Choice boxed beef was down \$3.55 and Select lost \$5.56. Choice primal rib sections gained \$2.95 while loin sections lost \$9.80 from a week ago. Choice chucks were down \$3.27 and primal rounds were down \$4.71. Other Choice cuts were slightly better.

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Packers are pushing cattle through the plant with big profits. This week packers using their own cattle and September contract cattle but next week packers will need cattle for the last two weeks of Septembers kill. Trade will assume because Monday plants are dark that packers will use one less day of kill to buy cattle lower but look for big Saturday kills especially September 12th through end of the month.

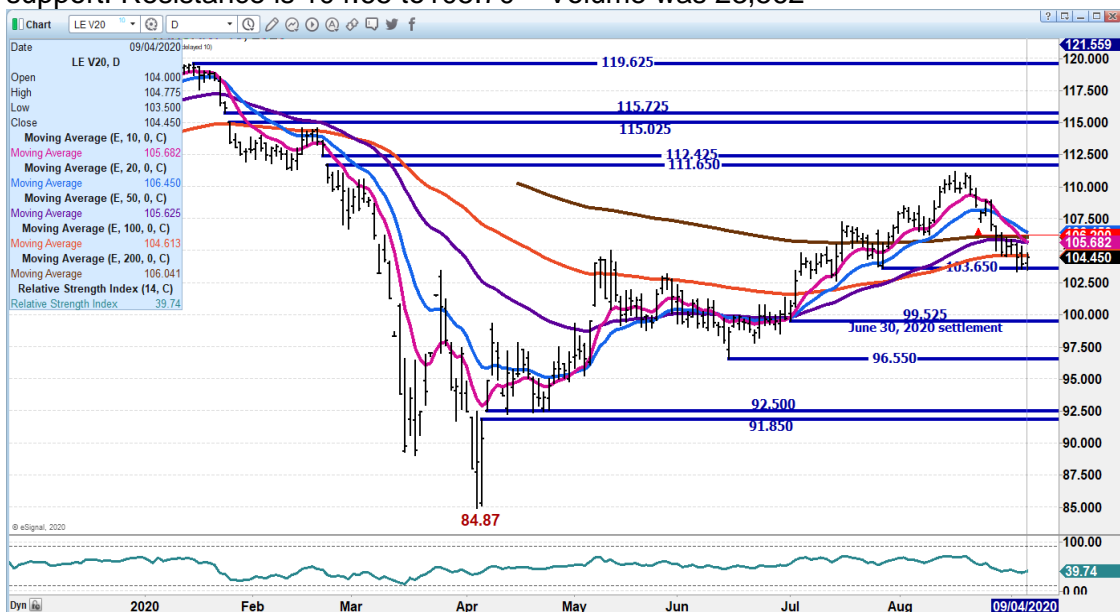
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As of September 1, dressed weights were 885.3 compared to previous week at 882.6 up 2.7 from week ago. Grading percent was 82.9% compared to previous week at 83.0%.



OCTOBER 2020/DECEMBER 2020 LIVE CATTLE SPREAD - SPREAD WIDENING USUSUALLY BEARISH.



OCTOBER 2020 LIVE CATTLE – Settlement on August 28,2020 was \$104.90 Settlement on September 4, 2020 was 104.45 October lost 45 cents for the week. 103.65 to 102.65 is support. Resistance is 104.65 to 105.70 Volume was 23,562

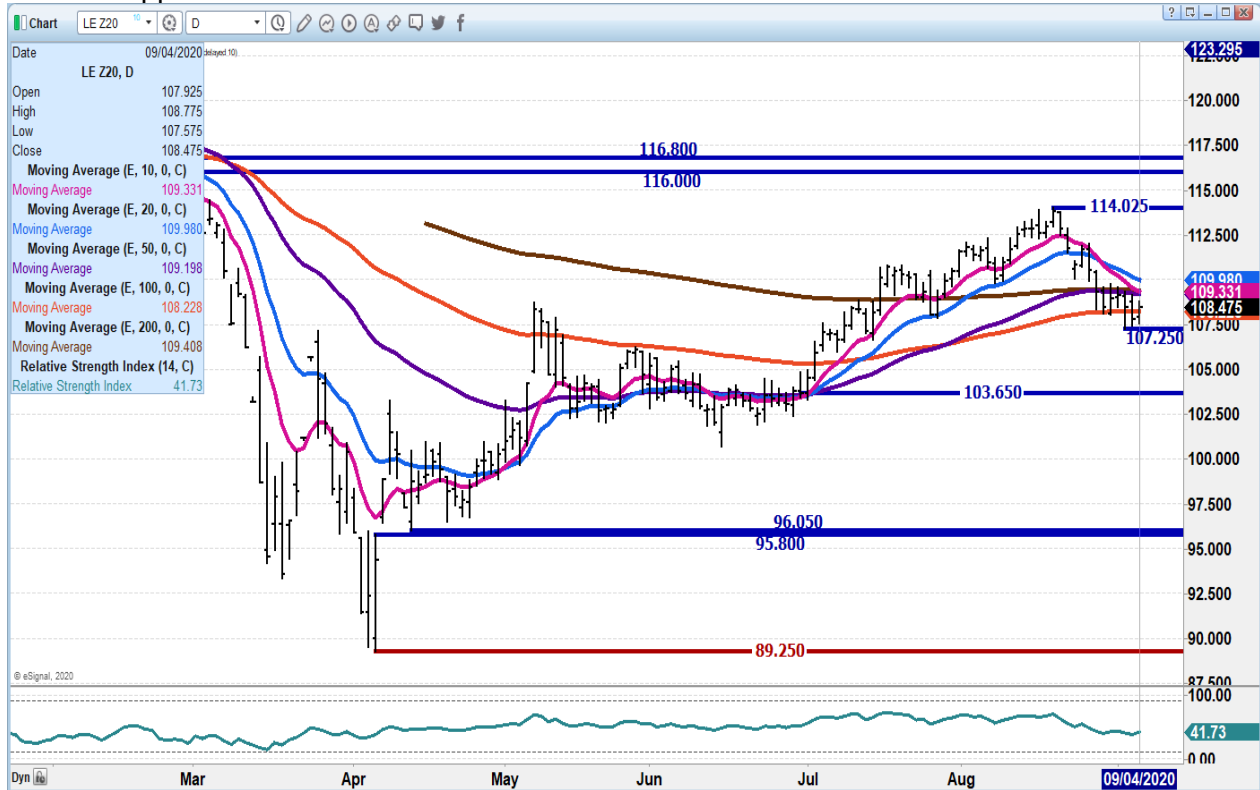


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DECEMBER 2020 LIVE CATTLE – Settlement on August 28,2020 was \$108.50. Settlement on September 4, 2020 was 108.47 Down 2 cents from previous week’s close. Resistance at 109.57 Support 107.25



Feeder Cattle

THE CME FEEDER INDEX ON 09/03/2020 WAS 140.20 UP 52 FROM PREVIOUS DAY.

SEPTEMBER 2020 FEEDER CATTLE SETTLEMENT ON SEPTEMBER 04, 2020 WAS \$137.65

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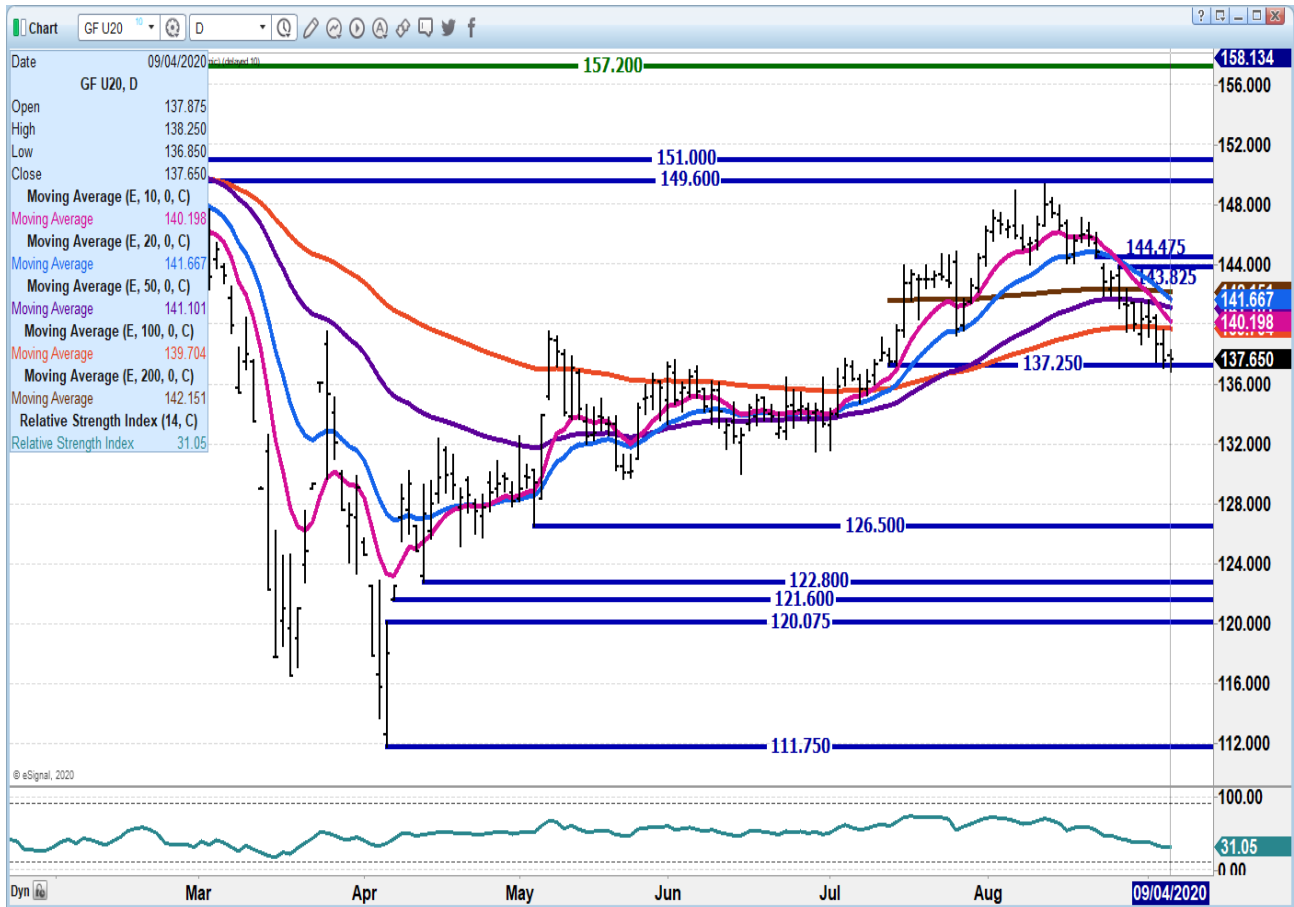
NATIONAL FEEDER & STOCKER CATTLE SUMMARY – WEEK ENDING 09/04/2020

RECEIPTS:	AUCTIONS	DIRECT	VIDEO/INTERNET	TOTAL
THIS WEEK:	160,800	27,900	5,200	193,900
LAST WEEK:	156,200	38,700	280,300	475,200
YEAR AGO:	106,800	58,100	14,700	179,600



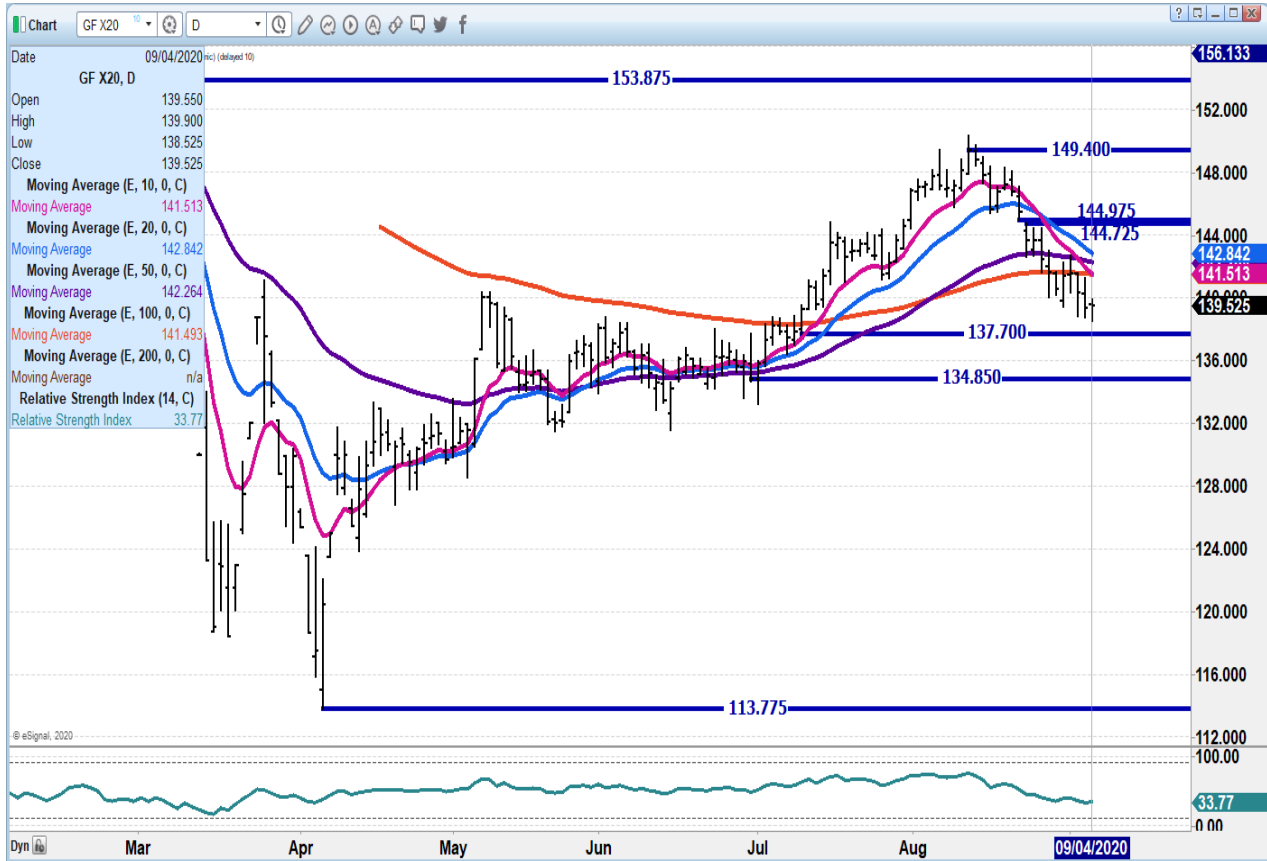
COMPARED TO LAST WEEK, STEERS AND HEIFERS SOLD 1.00 TO 5.00 LOWER. THE CME CATTLE AGAIN THIS WEEK, WAS WEAKER AND HAS BEEN PULLING THE CASH PRICES FOR FEEDERS AND FED CATTLE LOWER, WITH THE MOST DRAWBACK ON THE FRONT MONTH CONTRACTS. AROUND THE LABOR DAY HOLIDAY, MANY AUCTIONS PROCEED TO HAVE CUSTOMER APPRECIATION SALES.
[HTTPS://WWW.AMS.USDA.GOV/MNREPORTS/SJ_LS850.TXT](https://www.ams.usda.gov/mnreports/sj_ls850.txt)

SEPTEMBER 2020 FEEDER CATTLE – SETTLEMENT ON AUGUST 28,2020 WAS \$140.17. SETTLEMENT ON SEPTEMBER 4, 2020 WAS 138.50 SUPPORT AT 137.25 NEEDS TO HOLD ON CLOSE. A CLOSE LOWER IS BEARISH. RESISTANCE IS 140.37





**NOVEMBER 2020 FEEDER CATTLE SETTLEMENT ON AUGUST 28,2020 WAS \$140.60
 SETTLEMENT ON SEPTEMBER 4, 2020 WAS 139.52. 137.70 TO 134.85 IS SUPPORT
 RESISTANCE IS 141.52**



LEAN HOGS

USDA ESTIMATED FEDERAL HOG SLAUGHTER

SEPTEMBER 04, 2020	460,000	
WEEK AGO	481,000	
YEAR AGO	429,000	
SATURDAY 09/05/2020	119,000-	A WEEK AGO 269,000 - YEAR AGO 358,000
WEEK TO DATE (EST)	2,484,000	
SAME PERIOD LAST WEEK (EST)	2,657,000	
SAME PERIOD LAST YEAR (ACT)	2,217,000	

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2020 YEAR TO DATE 87,438,000
2019 *YEAR TO DATE 85,997,000
PERCENT CHANGE YEAR TO DATE 1.7% COMPARED TO A WEEK AGO 1.4%

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CME CASH HOG INDEX 09/02/2020 AT 58.13 UP 62 CENTS FROM PREVIOUS DAY.
CME CASH HOG INDEX 08/26/2020 AT 57.12 UP 26 CENTS FROM PREVIOUS DAY.

CME CASH PORK CUTOUT INDEX 09/03/2020 AT 74.43 UP 1.38 FROM PREVIOUS DAY.
CME CASH PORK CUTOUT INDEX 08/27/2020 AT 73.53 DOWN 59 CENTS FROM
PREVIOUS DAY.

CME CASH FRESH BACON INDEX ON 08/28/2020 WAS 141.51 COMPARED TO
08/21/2020 WAS 137.95

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Spreads narrowed this week with October now over December and December gaining on
February. Traders are bull spreading.

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Cutout gained 91.17 over last weeks close. Big gains on hams up 35.66 Loins up 16 cents. As
long as hams keep gaining, it is positive. Need to watch U.S. Dollar.. Has possibly bottomed
but low last week could sow strong exports from last week. It is September and specs moving
market with spreads.

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U.S. Dollar is cheap and good incentive for strong exports. The Mid-Autumn Festival in China
begins October 1st and is the second biggest holiday in China next to the Chinese New Year.
Although China is not 100% open , this year the Mid-Autumn Festival is expected to be large
because it is the first holiday where people can travel and traveling for “reunions” and
thanksgiving is what it is all about. Reunions are the time there is a dinner for immediate and
extended families. Crab, pork and duck are often served along with cakes representing the full
moon. Last year during the New Year celebration traveling was not allowed. Tis year the Mid-
Autumn Festival is expected to see heavy travel and big family dinners. Recently, China has
been moving pork, beef and lamb from storage. Recent big exports could be re-stocking coolers

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Very strong exports last week with net sales of 53,600 MT. Surprise big buy from China and as
usual Mexico a strong and consistently good buyer. Pork is a cheap protein and with cheap US
Dollar it has been a bargain buy for exporters.



Need to monitor weights. Falling weights show packers want hogs.

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SEPTEMBER 04, 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

SEPTEMBER 04, 2020

LOADS OF PORK CUTS: 288.65

LOADS TRIM/PROCESSED PORK: 27.81

FINAL 9/04/2020

Date	Loads	Carcass	Loin	Butt	Pic	Rib	Ham	Belly
09/04/2020	316.46	80.56	68.37	80.45	49.16	125.08	85.85	119.11
CHANGE :		0.37	-0.91	-0.67	1.79	6.85	5.69	-7.60
Five Day Average --		76.28	68.93	81.98	48.47	126.38	67.46	119.68

PREVIOUS WEEK

FINAL 8/28/2020

Date	Loads	Carcass	Loin	Butt	Pic	Rib	Ham	Belly
08/28/2020	333.33	71.39	68.21	83.80	46.22	127.31	50.19	115.27
CHANGE :		-1.39	-4.53	0.49	4.11	1.73	-6.41	4.79
Five Day Average --		73.09	71.51	81.76	47.44	128.34	57.30	110.57

CHANGE FOR WEEK 9.17 .16 -3.35 2.94 -2.23 35.66 3.84

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NATIONAL DAILY DIRECT HOG PRIOR DAY REPORT - SLAUGHTERED SWINE

SLAUGHTER DATA FOR SEPTEMBER 3, 2020

Average carcass weight - 275.65

Average live weight - 206.77

https://www.ams.usda.gov/mnreports/ams_2511.pdf

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DAILY DIRECT HOGS PLANT DELIVERED AS OF 1:30 PM September 4, 2020

NATIONAL NEGOTIATED PURCHASE BASE CARCASS PRICES

Carcass Base Price: \$40.00 - \$50.00

Weighted Average: \$45.89

Change from Prior Day: 0.47 lower

HOGS SOLD: 5,038



SWINE OR PORK MARKET FORMULA PURCHASE (Including Packer Sold)
 PRICE RANGE: \$42.47 - \$75.76
 Weighted Average \$59.39 PREVIOUS DAY \$56.92
 HOGS SOLD: 133,816

https://www.ams.usda.gov/mnreports/lm_hq203.txt

OCTOBER 2020/DECEMBER LEAN HOGS HOG SPREAD - FROM NEGATIVE TO POSITIVE LAST WEEEK WITH OCT GAINING ON DEC. IT IS BULL SPREADING



DECEMBER 2020 – FEBRUARY 2021 LEAN HOG SPREAD - Could easily go to Dec 3.00 under or gain another 1.75 to 2.00



OCTOBER 2020 LEAN HOGS - Settlement on Aug 28,2020 was \$53.65. Settlement on Sept 4, 2020 was 59.82 Closing over 200 day average positive. Nest resistance at 62.70 Support gap at 576.17 to 56.92 to 56.37



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DEC 2020 LEAN HOGS – Settlement on August 28,2020 was \$55.20 Settlement on September 4, 2020 was 58.25. Resistance Friday high at 58.80 Support at 56.80



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