



Morning September 23, 2020 Livestock Report

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SEPTEMBER 2020 LIVESTOCK REPORTS

HOGS AND PIGS REPORT – THURSDAY SEPTEMBER 24, 2020 2:00PM US CENTRAL TIME

CATTLE ON FEED REPORT – FRIDAY, SEPTEMBER 25, 2020 2:00PM US CENTRAL TIME

USDA COLD STORAGE REPORT SEPTEMBER 22, 2020 on bottom of report

CATTLE

USDA FEDERAL SLAUGHTER

SEPTEMBER 22, 2020	121,000
WEEK AGO	120,000
YEAR AGO	117,000
WEEK TO DATE (EST)	241,000
SAME PERIOD LAST WEEK (EST)	240,000
SAME PERIOD LAST YEAR (ACT)	232,000

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	CHOICE	SELECT
BOXED BEEF FINAL 9/21/2020	215.44	206.30
CHANGE FROM PRIOR DAY	(0.78)	0.48
CHOICE/SELECT SPREAD:	9.14	
TOTAL LOAD COUNT	162	
5 DAY SIMPLE AVERAGE:	215.68	204.79

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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 22, 2020

Primal Rib	360.08	342.87
Primal Chuck	173.17	168.28
Primal Round	171.29	170.89
Primal Loin	298.76	273.15
Primal Brisket	159.49	156.01
Primal Short Plate	140.28	140.28
Primal Flank	104.24	103.58



FINAL SEPTEMBER 21, 2020

Primal Rib	359.44	340.08
Primal Chuck	172.32	167.79
Primal Round	170.04	168.68
Primal Loin	306.17	273.13
Primal Brisket	158.29	161.44
Primal Short Plate	136.94	136.94
Primal Flank	107.31	117.07

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LOAD COUNT AND CUTOUT VALUE SUMMARY FOR PRIOR 5 DAYS

Date	Choice	Select	Trim	Grinds	Total	CHOICE 600-900	SELECT 600-900
09/21	70	17	7	12	106	216.22	205.82
09/18	84	21	28	13	147	215.64	203.94
09/17	144	31	7	34	217	215.05	203.39
09/16	95	28	6	37	166	215.38	204.51
09/15	100	18	11	30	159	216.09	206.28
09/14	94	19	18	17	149	217.21	207.76

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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	107.57 loads	4,302,639 pounds
Select Cuts	28.71 loads	1,148,593 pounds
Trimming	8.67 loads	346,700 pounds
Ground Beef	16.74 loads	669,633 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 9/22/2020

IA/MN –CASH NO SALES DRESSED - 164.00 ON 702 HEAD
NE - CASH – 105.00 DRESSED 164.00 TOTAL CASH AND DRESSED 399 HEAD
KS – CASH – NO SALES DRESSED 164.00 ON 115 HEAD
TX/OK/NM – NO SALES
CO – **Information not available due to confidentiality**



National Daily Direct Cattle SEPTEMBER 22, 2020 (5 day accumulated weighted avg)

	Weight	Price	Head
Live Steer:	1478	\$103.55	39,129
Live Heifer:	1299	\$103.36	17,297
Dressed Steer:	951	\$163.62	17,344
Dressed Heifer:	854	\$163.26	6,382

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Beef had gain on Choice rib sections but weakness on loins. Choice chucks and rounds higher. Spread narrowed between Choice and Select. Demand for lower grade beef remains strong. A little too soon for high end Choice to move higher into November and December.

The Fed Cattle Exchange has 683 head for morning Internet sale. 4 different sale lots of heifers from Texas and Kansas. May give indication of this weeks markets but not representative of showlist that so far hasn't been willing to come out and sell

Packers are going to push as many cattle through the line as possible. Profit margins of \$375/head are too good to pass up. Consumers are buying high Choice to low Select and Canner cattle.

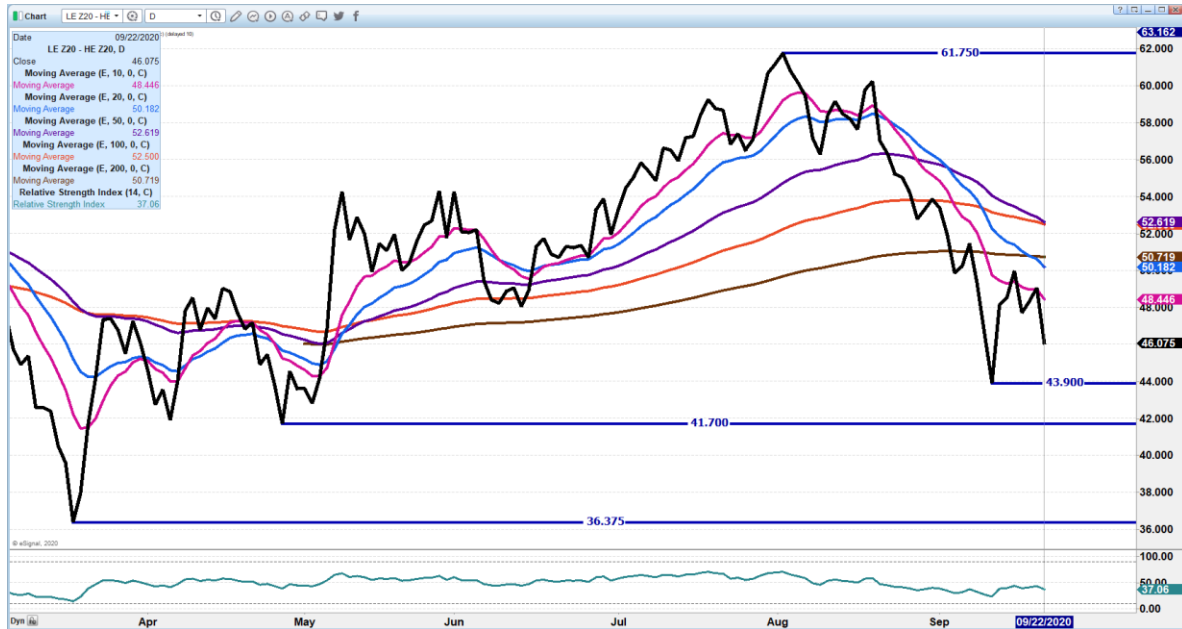
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Could be quiet week ahead of reports. Next week there are the three livestock reports, Cold Storage on Tuesday, the Quarterly Hogs and Pigs report on Thursday and Cattle on Feed on Friday. Since August Hogs went off the board, spreads have had some big moves. Trading this week showed some slight reversals on spreads, volume was slowing and as often is the case, they can be signals formula traders are moving to the sidelines or changing direction.

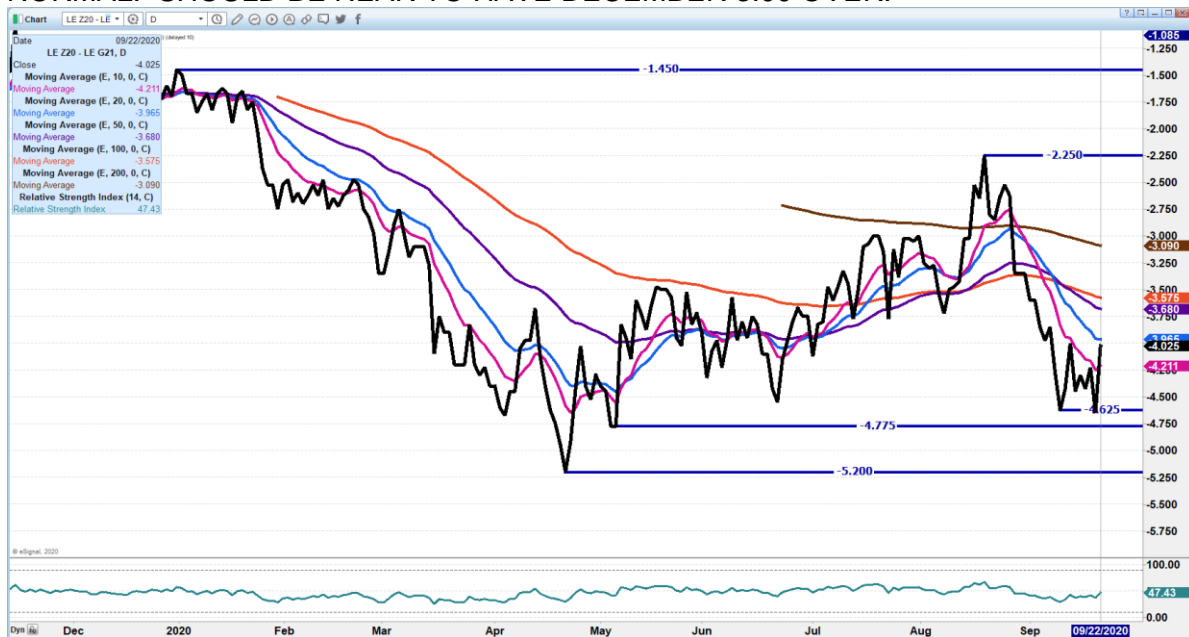
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As of September 15TH, dressed steer and heifer weights were 896.6 compared to previous week at 888.9 up 7.7 pounds from week ago and 29 pounds over a year ago. Grading percent was 82.6% compared to previous week at 82.6%.

DECEMBER 2020 LIVE CATTLE/DECEMBER 2020 LEAN HOG SPREAD - SPREAD IS NARROWING FAVORING HOGS. PORK HAS BEEN OVER LAST MONTH DOING BETTER THAN BEEF. MOVING INTO FALL, BEEF NORMALLY GAINS ON PORK.



DECEMBER 2020/FEBRUARY 2020 LIVE CATTLE SPREAD - SPREAD IS WIDER THAN NORMAL. SHOULD BE NEAR TO HAVE DECEMBER 3.00 OVER.

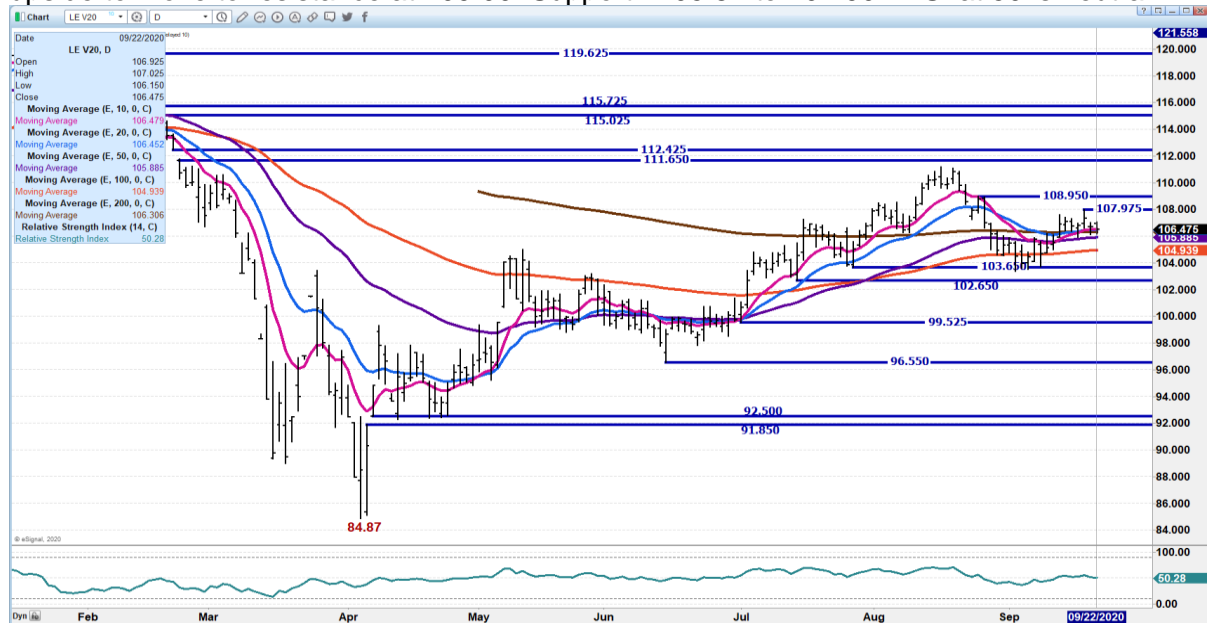


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OCT 2020 LIVE CATTLE – OPEN INTEREST IS 31,709 COMPARED TO PREVIOUS DAY AT 33,940 Closed down from Monday but within the same range. Needs to break above 108.00 on upside to move to resistance at 109.00. Support 1105.87 to 104.90. RSI at 50 is neutral



DECEMBER 2020 LIVE CATTLE – Fell to support to convergence of 50 and 200 day moving averages. Next support at 108.70. Resistance at 110.75 to 1112.52. Volume moderately light at 20,251

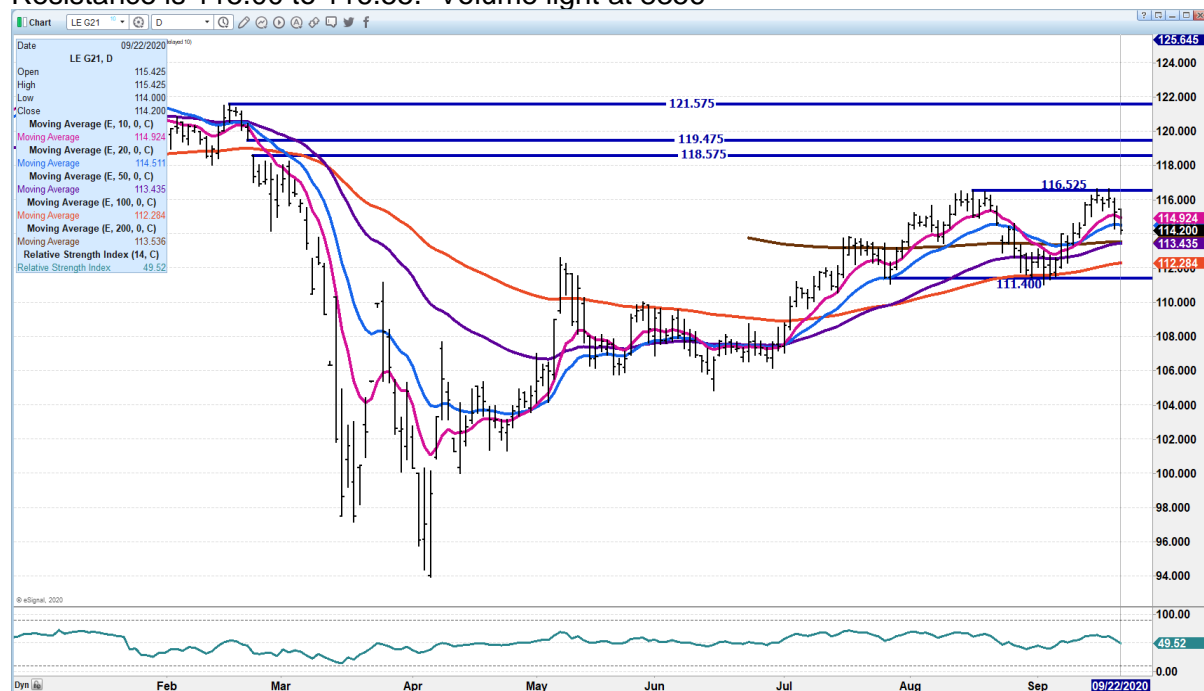


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FEBRUARY 2021 LIVE CATTLE – Dropped below 10 and 20 day moving averages. Support at 113.37 to 112.27 Likely traders are unwinding spreads and hedging with wide spreads. Resistance is 115.00 to 116.55. Volume light at 8356



Feeder Cattle

THE CME FEEDER INDEX ON 09/21/2020 WAS 142.45 UP 40 CENTS FROM PREVIOUS DAY - UPDATED ON MORNING REPORTS

SEPTEMBER 2020 FEEDER CATTLE SETTLEMENT ON SEPTEMBER 22, 2020 WAS \$141.70

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NATIONAL FEEDER & STOCKER CATTLE SUMMARY – WEEK ENDING 09/18/2020

RECEIPTS:	AUCTIONS	DIRECT	VIDEO/INTERNET	TOTAL
THIS WEEK:	201,200	46,700	39,800	287,700
LAST WEEK:	119,800	24,000	68,200	212,000
YEAR AGO:	158,500	78,100	32,100	268,700

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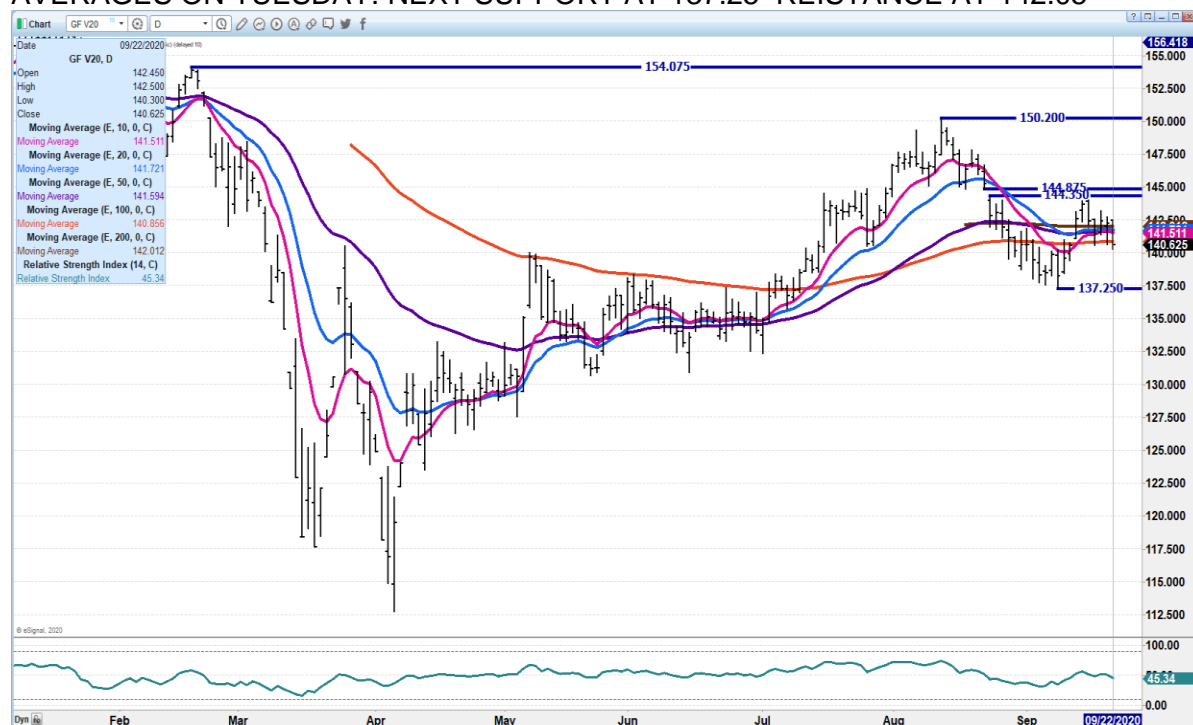


COMPARED TO LAST WEEK, COMING BACK AFTER LAST WEEK'S LABOR DAY HOLIDAY MANY MARKETS THIS WEEK ARE COMPARED TO TWO WEEKS AGO, ESPECIALLY SOME OF THE LARGE VOLUME MONDAY SALES AND EARLY WEEK SALES. ORDER BUYERS THIS WEEK FLEXED THEIR MUSCLES PURSUING THE LONG GREEN GRASS YEARLINGS OVER 750 LBS, MOSTLY 850-1000 LBS SELLING STEADY TO 5.00 HIGHER WITH INSTANCES 8.00 HIGHER. CALVES ARE SPLIT INTO TWO GROUPS THE LONG TIME WEANED CALVES WITH VACCINATION PROGRAMS SELLING MOSTLY STEADY TO FIRM WITH SOME SALES UP TO 5.00 HIGHER. THE OTHER SIDE OF THE COIN IS THE UNWEANED FLESHY BAWLERS IN MANY CASES WHERE REPORTED TRADING 3.00-8.00 LOWER OR REPORTED WITH A SHARPLY LOWER UNDERTONE.

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

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OCTOBER 2020 FEEDER CATTLE – VOLUME 4160 CLOSED BELOW ALL MOVING AVERAGES ON TUESDAY. NEXT SUPPORT AT 137.25 REISTANCE AT 142.05

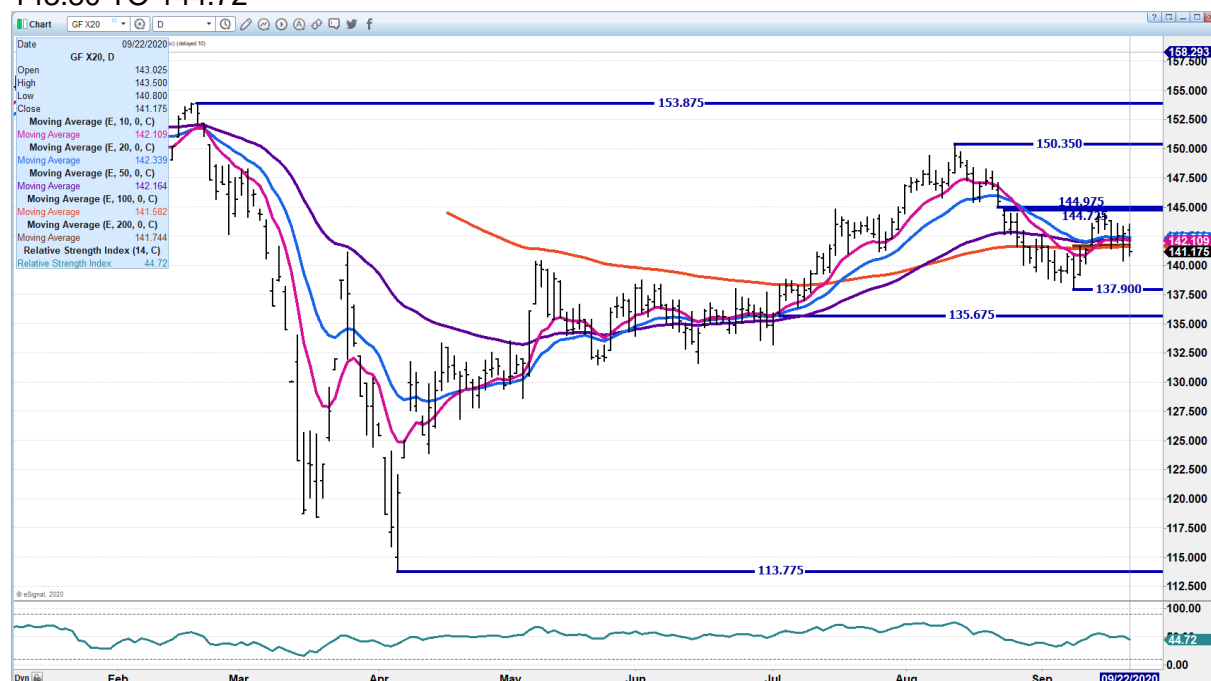


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NOVEMBER 2020 FEEDER CATTLE - SUPPORT AT 140.35 TO 137.90 RESISTANCE AT 143.80 TO 144.72



LEAN HOGS

USDA ESTIMATED FEDERAL HOG SLAUGHTER – TUESDAY

SEPTEMBER 22, 2020	485,000
WEEK AGO	485,000
YEAR AGO	470,000
WEEK TO DATE (EST)	963,000
SAME PERIOD LAST WEEK (EST)	971,000
SAME PERIOD LAST YEAR (ACT)	914,000

****REVISED MONDAY HOG SLAUGHTER..478,000** PREVIOUS ESTIMATE 485,000**

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CME CASH HOG INDEX 09/18/2020 AT 71.29 UP 1.71 FROM PREVIOUS DAY -

CME CASH PORK CUTOUT INDEX 09/21/2020 AT 86.25 UP 1.85 FROM PREVIOUS DAY.

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CME CASH FRESH BACON INDEX ON 09/18/2020 WAS 175.11 COMPARED TO 09/11/2020 WAS 163.42

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Pork cutout was down 1.43 Tuesday afternoon after being up 4.17 in the early sales. Whoever was being squeezed over the past 2 weeks in hams and bellies must have thrown in the towel by the afternoon because hams went from \$99.39 in the morning to \$79.15 on afternoon sales. Hams have been driver behind surge in pork. Loins did do well Tuesday up \$5.42 from Monday.

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SEPTEMBER 22, 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 22, 2020

LOADS OF PORK CUTS: 405.20

LOADS TRIM/PROCESSED PORK: 26.45

FINAL 9/22/2020

Date	Loads	Carcass	Loin	Butt	Pic	Rib	Ham	Belly
09/22/2020	431.65	88.66	76.87	82.95	64.77	130.30	79.15	150.31
CHANGE :		-1.43	5.42	2.58	4.75	0.92	-16.45	2.46
Five Day Average --		87.29	73.95	80.74	61.18	128.16	83.48	144.51

NOON 9/22/2020

Date	Loads	Carcass	Loin	Butt	Pic	Rib	Ham	Belly
09/22/2020	226.96	94.26	77.75	83.20	64.09	131.03	99.39	152.94
CHANGE :		4.17	6.30	2.83	4.07	1.65	3.79	5.09
Five Day Average --		88.41	74.13	80.79	61.04	128.30	87.52	145.04

SETTLE ON FRIDAY 9/18/2020

Date	Loads	Carcass	Loin	Butt	Pic	Rib	Ham	Belly
09/18/2020	389.73	87.53	73.78	80.91	60.87	128.34	84.13	145.26

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NATIONAL DAILY DIRECT HOG PRIOR DAY REPORT - SLAUGHTERED SWINE

SLAUGHTER DATA FOR SEPTEMBER 21, 2020

Average carcass weight - 279.93

Average live weight - 209.41



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

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DAILY DIRECT HOGS PLANT DELIVERED AS OF 1:30 PM September 22, 2020
NATIONAL NEGOTIATED PURCHASE BASE CARCASS PRICES

Carcass Base Price: \$58.00 - \$67.00

Weighted Average: \$63.26

Change from Prior Day: 3.27 higher

HOGS SOLD: 10,108

SWINE OR PORK MARKET FORMULA PURCHASE (Including Packer Sold)

PRICE RANGE: \$60.53 - \$85.66

Weighted Average: \$72.00

Previous Day: \$70.62

HOGS SOLD: 147,017

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

DECEMBER 2020 – FEBRUARY 2021 LEAN HOG SPREAD - Look for spread to narrow to 3.00 with Dec under Feb



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OCTOBER 2020 LEAN HOGS - Resistance at 68.75 to 69.97 Support at 66.47 to 64.87
Volume 10,664



DECEMBER 2020 LEAN HOGS – Volume only 18,433 light for a day when trading was limit part of the day. Support at 62.27 to 60.37 Resistance at 66.82



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USDA COLD STORAGE REPORT SEPTEMBER 22, 2020

COLD STORAGE HIGH HIGHLIGHTS FOR AUGUST 2020

Total red meat supplies in freezers were up 3 percent from the previous month but down 13 percent from last year.

Total pounds of beef in freezers were up 5 percent from the previous month but down 2 percent from last year.

Frozen pork supplies were up 2 percent from the previous month but down 23 percent from last year.

Stocks of pork bellies were down 28 percent from last month and down 33 percent from last year.

Beef up 5 percent from previous month represents packers killing more cattle than the previous month since last spring because of COVID 19. Being down 2 percent compared to a year ago is also because of it. By the end of August 2020, USDA Federal Slaughter compared to previous year to date was down 4.8%

At first it appears negative being up 5% from previous month, but under the circumstances, with less meat than a year ago and heavier cattle this year it is a neutral to friendly report. Doubt it will do anything to Live Cattle futures on Wednesday especially with Cattle on Feed Report coming out on Friday.

Pork up 2% over July is the same as beef because of month to month increase. Hog slaughter has been increasing by the month since the slowdown last spring. However, less in the cooler than 2019 is definitely friendly because exports have been exceptionally large in 2020, and by August slaughter was up 1 percent from 2019. It means pork is moving in 2020.

Wednesday - Live Cattle Futures steady to \$1.00 higher. Lean Hogs up on open \$1.50 to \$2.00. However there is a quarterly Hogs and Pigs report and after strong opening, and strong market on Tuesday profit taking could take place

CHARTS FROM ESIGNAL INTERACTIVE, INC.

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