



## Morning October 7, 2020 Livestock Report

by Chris Lehner | 312.242.7942 | [chris.lehner@admis.com](mailto:chris.lehner@admis.com)

### CATTLE

#### USDA FEDERAL SLAUGHTER

|                             |         |
|-----------------------------|---------|
| OCTOBER 6, 2020             | 120,000 |
| WEEK AGO                    | 120,000 |
| YEAR AGO                    | 118,000 |
| WEEK TO DATE (EST)          | 236,000 |
| SAME PERIOD LAST WEEK (EST) | 238,000 |
| SAME PERIOD LAST YEAR (ACT) | 236,000 |

\*\*Revised Monday Cattle Slaughter..116,000\*\* Previous estimate 119,000

=====

|                       | CHOICE | SELECT |
|-----------------------|--------|--------|
| BOXED BEEF FINAL      | 216.24 | 206.84 |
| CHANGE FROM PRIOR DAY | (0.74) | (1.17) |
| CHOICE/SELECT SPREAD: |        | 9.40   |
| TOTAL LOAD COUNT      |        | 168    |
| 5 DAY SIMPLE AVERAGE: | 217.95 | 207.55 |

=====

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 OCTOBER 6, 2020

|                    |        |        |
|--------------------|--------|--------|
| Primal Rib         | 385.17 | 352.47 |
| Primal Chuck       | 176.83 | 176.92 |
| Primal Round       | 168.57 | 166.09 |
| Primal Loin        | 291.61 | 267.94 |
| Primal Brisket     | 153.06 | 153.05 |
| Primal Short Plate | 130.32 | 130.32 |
| Primal Flank       | 104.70 | 101.13 |

#### Final OCTOBER 5, 2020

|                    |        |        |
|--------------------|--------|--------|
| Primal Rib         | 380.95 | 354.84 |
| Primal Chuck       | 177.39 | 178.02 |
| Primal Round       | 168.67 | 167.02 |
| Primal Loin        | 294.60 | 269.73 |
| Primal Brisket     | 157.58 | 149.69 |
| Primal Short Plate | 132.93 | 132.93 |
| Primal Flank       | 104.40 | 100.37 |

ADMIS.com | 312.242.7000 | Chicago | New York | London | Hong Kong | Singapore | Taipei | Shanghai



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

| Date  | Choice | Select | Trim | Grinds | Total | CHOICE<br>600-900 | SELECT<br>600-900 |
|-------|--------|--------|------|--------|-------|-------------------|-------------------|
| 10/05 | 65     | 25     | 7    | 35     | 132   | 216.98            | 208.01            |
| 10/02 | 63     | 16     | 9    | 33     | 121   | 218.88            | 207.61            |
| 10/01 | 89     | 32     | 7    | 20     | 147   | 218.98            | 207.62            |
| 09/30 | 88     | 31     | 10   | 26     | 155   | 217.74            | 207.54            |
| 09/29 | 68     | 30     | 11   | 25     | 134   | 217.16            | 206.99            |

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 | 94.75 loads | 3,789,982 pounds |
| Select Cuts | 20.17 loads | 806,741 pounds   |
| Trimmings   | 19.04 loads | 761,701 pounds   |
| Ground Beef | 34.08 loads | 1,363,000 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)

DELIVERY NOTICE SERVED – OCTOBER 2020 - LIVE CATTLE  
SETTLEMENT: OCTOBER 6, 2020 - \$109.20  
OLDEST LONG: 02/03/20 SETTLEMENT ON 02/03/20 AT \$113.35  
1 RETENDER 1 DEMAND

| FIRM # | FIRM NAME            | DEL | REC |
|--------|----------------------|-----|-----|
| 685    | R.J.O'BRIEN ASSOC    |     | 1   |
| 905    | ADM INVESTOR SERVICE | 1   |     |

LOCATION: WORTHING

USDA POSTED CATTLE PRICES ON 10/06/2020  
IA/MN – CASH 210 HEAD AT 107.00 DRESSED - NO DRESSED SALES  
NE - CASH – NO CASH SALES DRESSED: NO DRESSED SALES  
KS – CASH NO CASH SALES DRESSED NO DRESSED SALES  
TX/OK/NM – NO CASH SALES  
CO – Information not available due to confidentiality



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

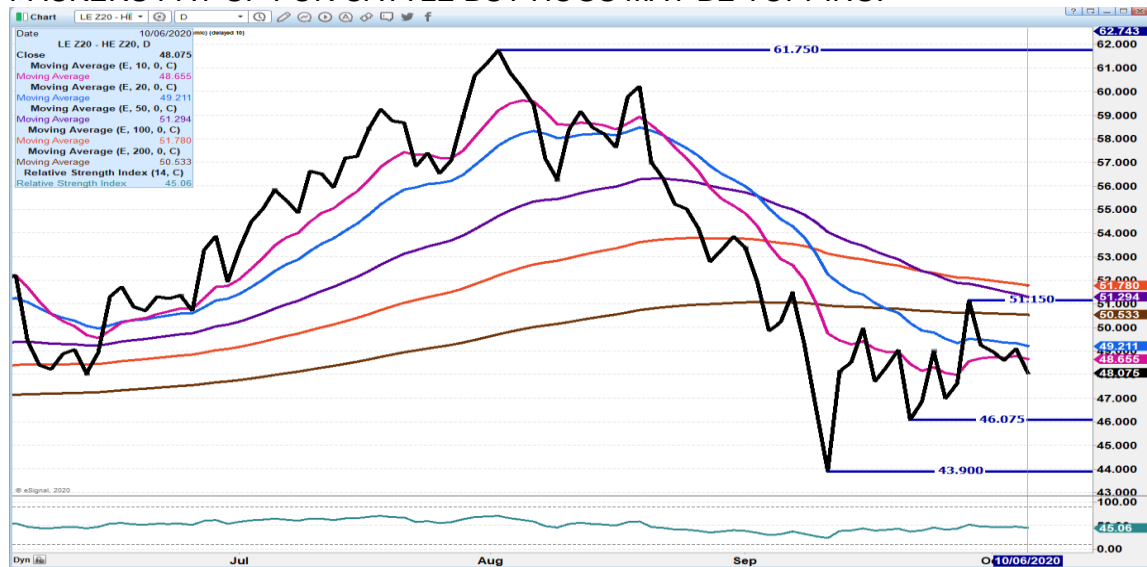
|                 | Weight | Price    | Head   |
|-----------------|--------|----------|--------|
| Live Steer:     | 1483   | \$107.06 | 48,218 |
| Live Heifer:    | 1331   | \$107.06 | 25,824 |
| Dressed Steer:  | 957    | \$167.61 | 18,857 |
| Dressed Heifer: | 867    | \$167.64 | 6,349  |

Live cattle futures were mainly traders bull spreading Tuesday. October was higher with anticipation \$110.00 will be paid this week. Packer margins have dropped close to \$75.00 over the past month but \$350 margins are still big margins. Packers want to keep lines filled and last week's 665,000 slaughter showed it. Showlists are not as big as it was expected to be for this week. Beef is moving from high priced primals to ground beef.

The Fed Cattle Exchange has 470 head listed for Internet sale Wednesday morning.

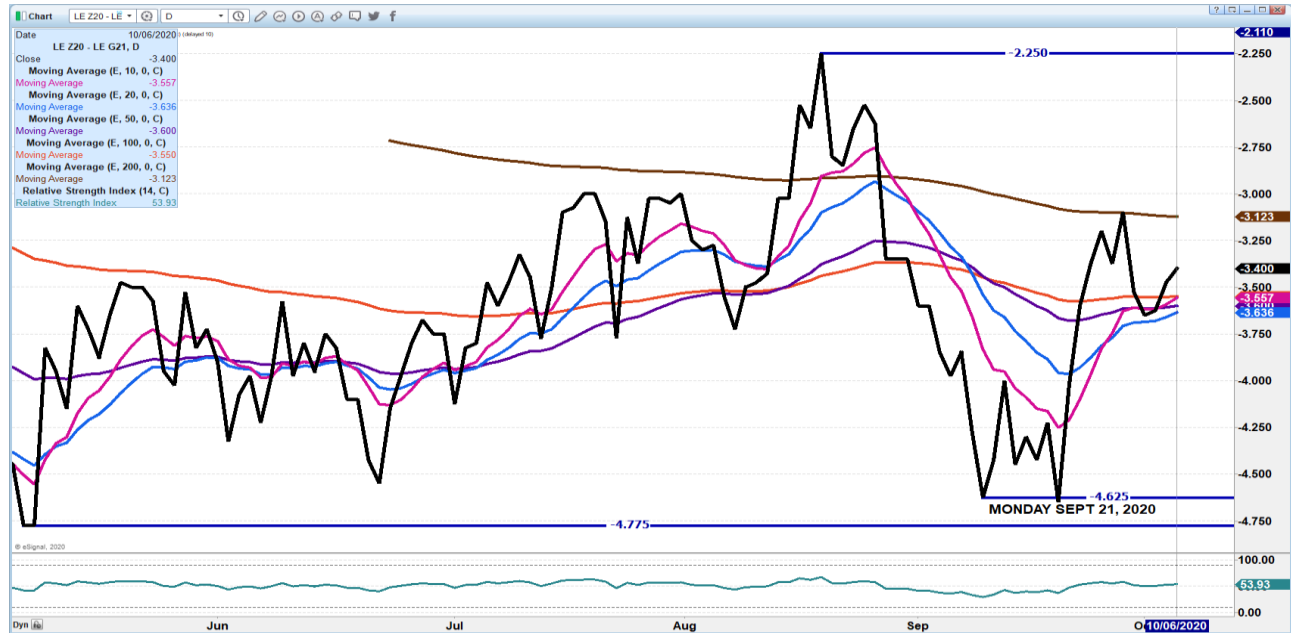
As of September 29<sup>th</sup>, dressed steer and heifer weights were 893.2 compared to previous week at 887.0 up 6.2 pounds from week ago and 19 pounds over a year ago. Grading percent was 81.3% compared to previous week at 82.2%.

DECEMBER 2020 LIVE CATTLE/DECEMBER 2020 LEAN HOG SPREAD - DEPENDS ON IF PACKERS PAY UP FOR CATTLE BUT HOGS MAY BE TOPPING.

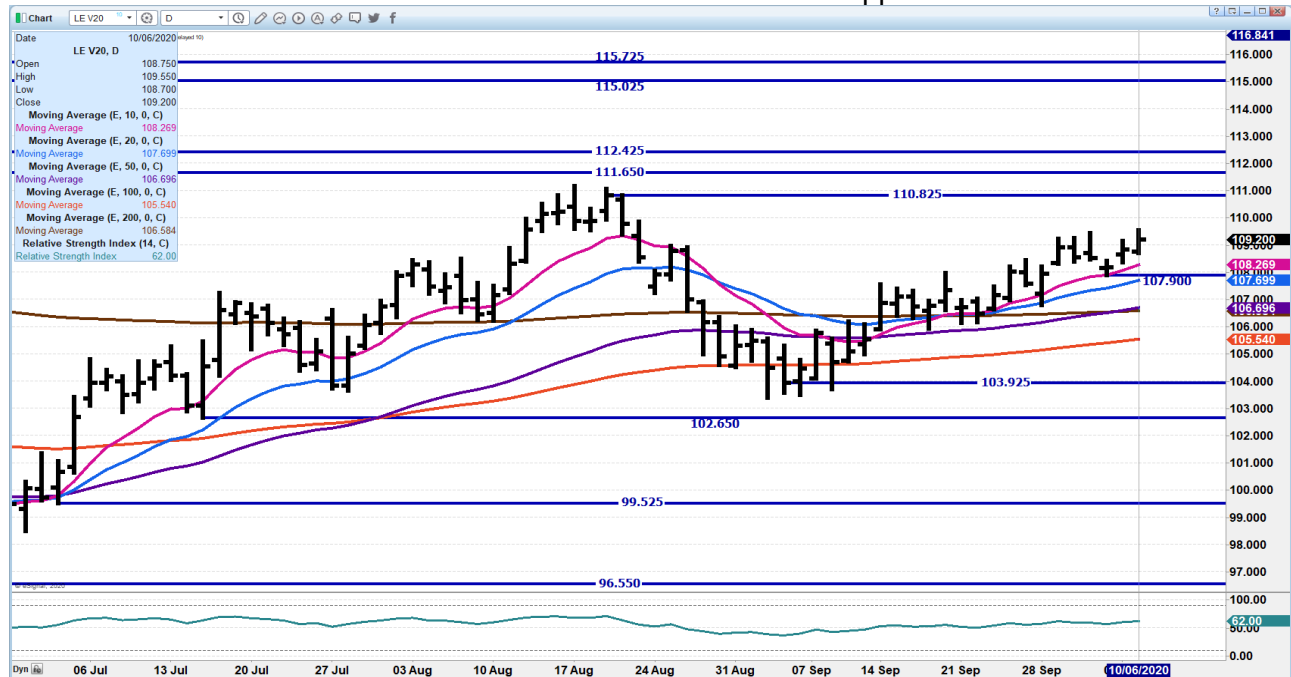




**DEC 2020/FEBRUARY 2021 LIVE CATTLE SPREAD – DEC GAINING ON FEB IS FRIENDLY**



**OCTOBER 2020 LIVE CATTLE – 110.82 Resistance 107.90 Support**



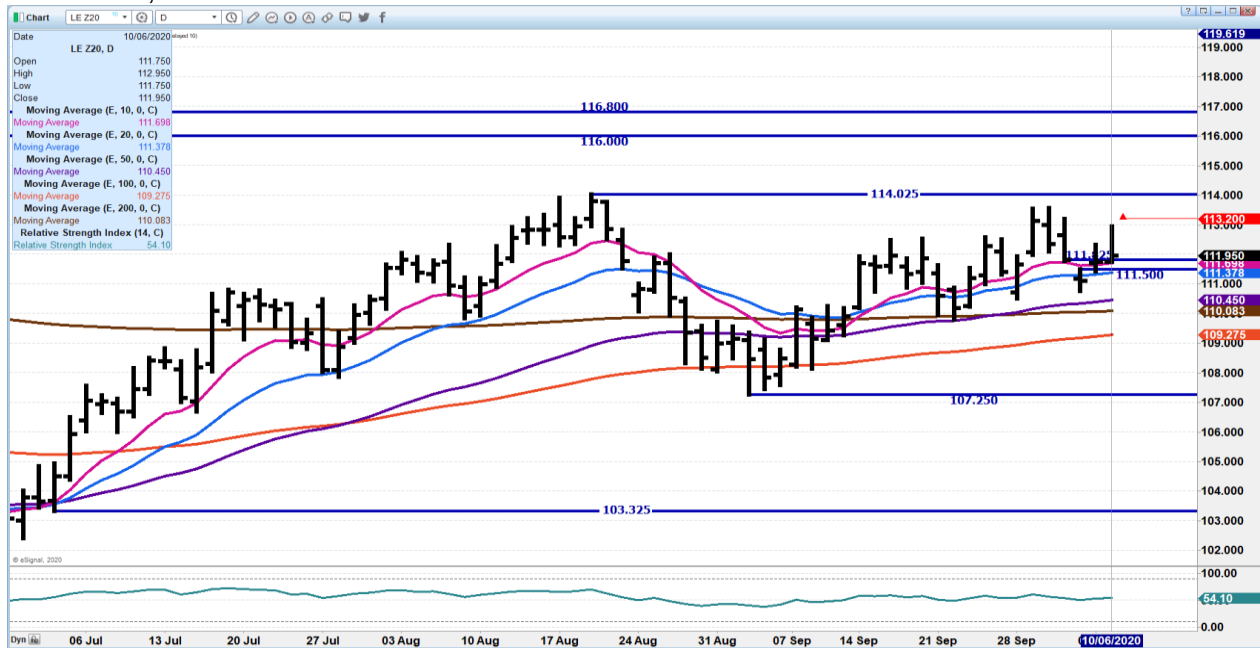
ADMIS.com | 312.242.7000 | Chicago | New York | London | Hong Kong | Singapore | Taipei | Shanghai

The information and comments contained herein is provided by ADM Investor Services, Inc. ("ADMIS") and NOT ADM. Futures and options trading involve significant risk of loss and may not be suitable for everyone. Therefore, carefully consider whether such trading is suitable for you in light of your financial condition. This report includes information from sources believed to be reliable and accurate as of the date of this publication, but no independent verification has been made and we do not guarantee its accuracy or completeness. Research analyst does not currently maintain positions or have financial interest in the commodities specified within this report. Any reproduction or retransmission of this report without the express written consent of ADM Investor Services, Inc. is strictly prohibited. Again, the information and comments contained herein is provided by ADMIS and in no way should be construed to be information provided by ADM. Copyright © ADM Investor Services, Inc.

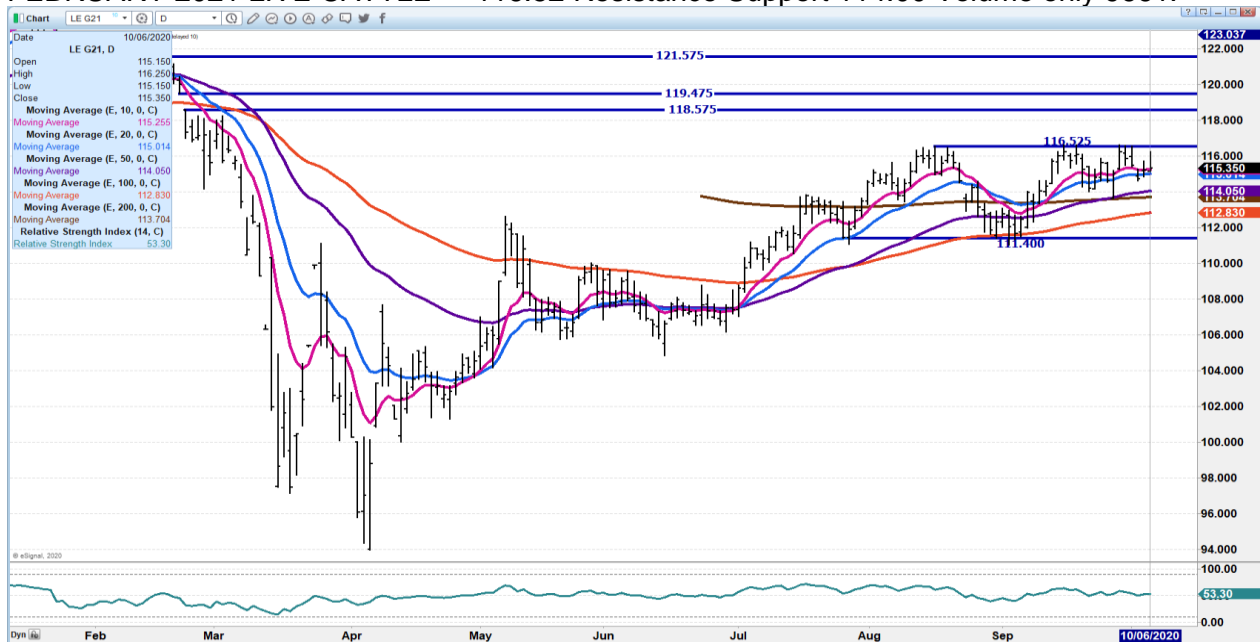




**DEC 2020 LIVE CATTLE – 113.20 to 114.02 Resistance. Support at 111.50 Support. Volume 18,710**



**FEBRUARY 2021 LIVE CATTLE - 116.52 Resistance Support 114.00 Volume only 9661.**



**ADMIS.com | 312.242.7000 | Chicago | New York | London | Hong Kong | Singapore | Taipei | Shanghai**

The information and comments contained herein is provided by ADM Investor Services, Inc. ("ADMIS") and NOT ADM. Futures and options trading involve significant risk of loss and may not be suitable for everyone. Therefore, carefully consider whether such trading is suitable for you in light of your financial condition. This report includes information from sources believed to be reliable and accurate as of the date of this publication, but no independent verification has been made and we do not guarantee its accuracy or completeness. Research analyst does not currently maintain positions or have financial interest in the commodities specified within this report. Any reproduction or retransmission of this report without the express written consent of ADM Investor Services, Inc. is strictly prohibited. Again, the information and comments contained herein is provided by ADMIS and in no way should be construed to be information provided by ADM. Copyright © ADM Investor Services, Inc.



## Feeder Cattle

THE CME FEEDER INDEX ON 10/02/2020 WAS 143.10 UP 36 CENTS FROM PREVIOUS DAY

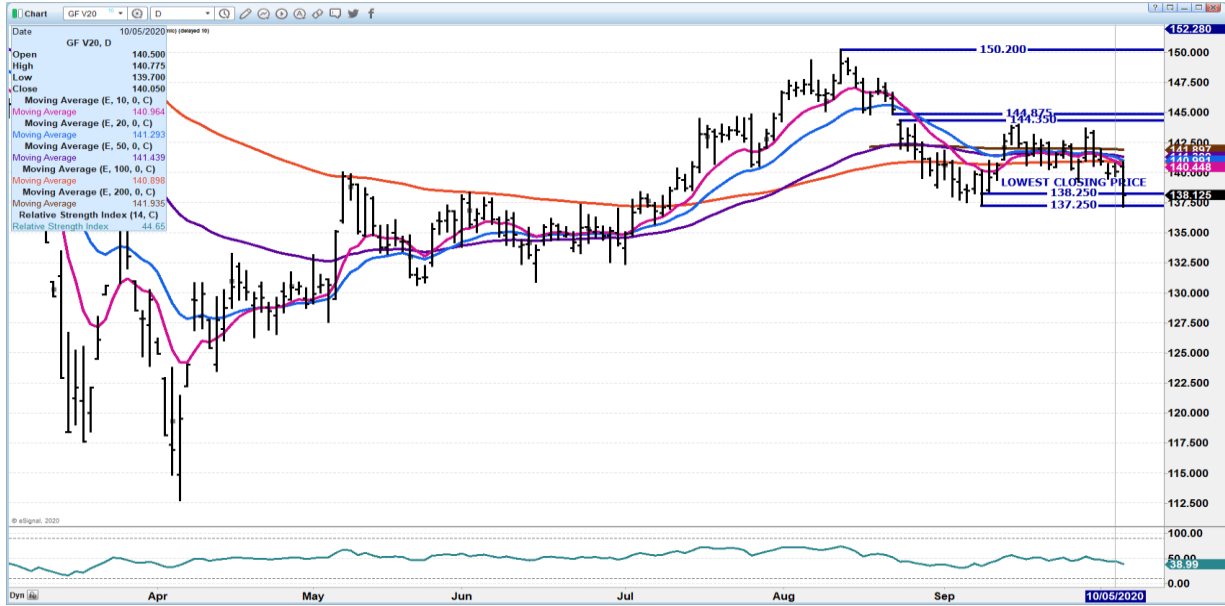
OCTOBER 2020 FEEDER CATTLE SETTLED ON OCTOBER 6, 2020 AT \$138.12

PACKERS ARE BUYING CATTLE AND THEY NEED TO BE REPLACED. AS OF TUESDAY'S CLOSE OCTOBER FUTURES WERE \$4.98 UNDER THE CME INDEX.

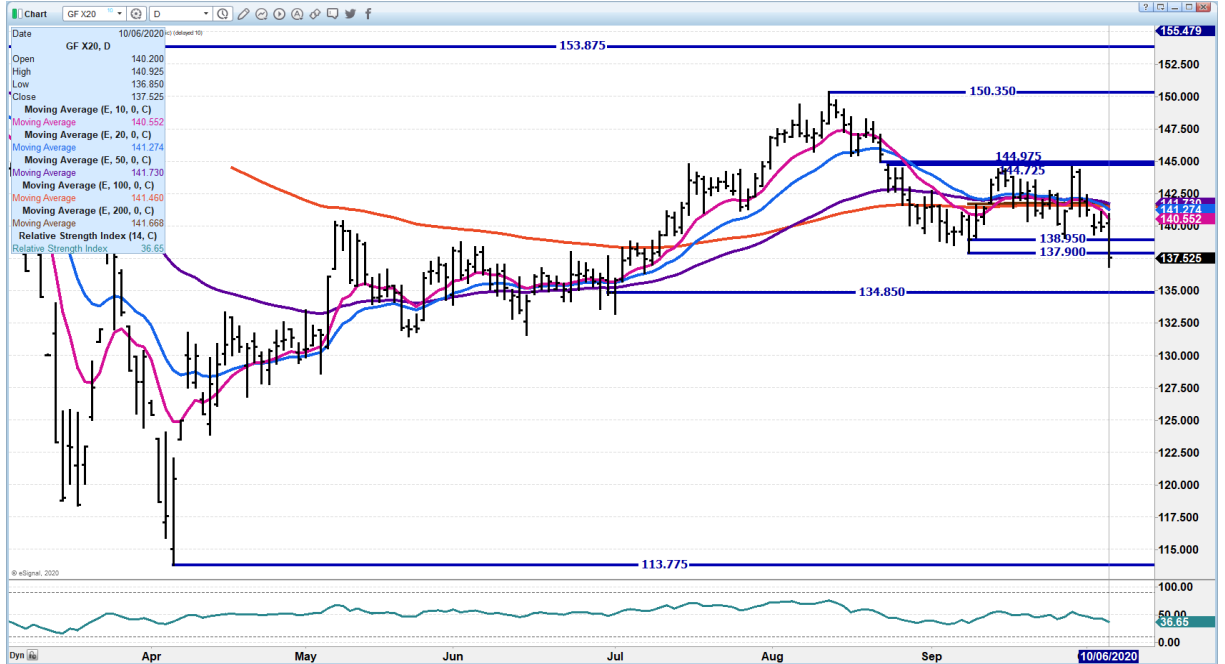
NOVEMBER 2020/JANUARY 2021 FEEDER CATTLE SPREAD - CHART IS BULL SPREAD



OCTOBER 2020 FEEDER CATTLE – DROPPED TO SUPPORT BIG DISCOUNT NEAR \$5 TO CME INDEX



**NOVEMBER 2020 FEEDER CATTLE - DROPPED BELOW SUPPORT. NEXT SUPPORT AT 134.85 RESISTANCE AT 142.50**



**ADMIS.com | 312.242.7000 | Chicago | New York | London | Hong Kong | Singapore | Taipei | Shanghai**

The information and comments contained herein is provided by ADM Investor Services, Inc. ("ADMIS") and NOT ADM. Futures and options trading involve significant risk of loss and may not be suitable for everyone. Therefore, carefully consider whether such trading is suitable for you in light of your financial condition. This report includes information from sources believed to be reliable and accurate as of the date of this publication, but no independent verification has been made and we do not guarantee its accuracy or completeness. Research analyst does not currently maintain positions or have financial interest in the commodities specified within this report. Any reproduction or retransmission of this report without the express written consent of ADM Investor Services, Inc. is strictly prohibited. Again, the information and comments contained herein is provided by ADMIS and in no way should be construed to be information provided by ADM. Copyright © ADM Investor Services, Inc.



## LEAN HOGS

### USDA ESTIMATED FEDERAL HOG SLAUGHTER

|                             |         |
|-----------------------------|---------|
| OCTOBER 6, 2020             | 487,000 |
| WEEK AGO                    | 485,000 |
| YEAR AGO                    | 488,000 |
| WEEK TO DATE (EST)          | 976,000 |
| SAME PERIOD LAST WEEK (EST) | 974,000 |
| SAME PERIOD LAST YEAR (ACT) | 973,000 |

=====  
CME CASH HOG INDEX 10/02/2020 AT 77.26 UP 45 CENTS FROM PREVIOUS DAY -

CME CASH PORK CUTOUT INDEX 10/05/2020 AT 93.13 UP .28 FROM PREVIOUS DAY.

CME CASH FRESH BACON INDEX ON 10/02/2020 WAS 194.37 COMPARED TO 09/25/2020 WAS 189.34

=====  
Last Friday hams closed the week at \$78.34 down \$15.00 from where they closed Thursday October 1<sup>st</sup>. Monday morning primal hams were \$100.10 up \$21.75 from Friday's close. Monday afternoon the final price was \$83.88 up \$5.54 from Friday's closing price. Tuesday's final price for ham was \$67.34, down \$16.54 from Monday's final price. For whatever reason, the fluctuation on hams and bellies has become a wild roller coaster. Huge market swings almost seem unreal that one day hams can be over \$100.00 and with 24 hours be \$33.00 less.

Hams and bellies have been the main reason hogs have been up off the lows in September and the few days of October. Loins are up about \$10.00 since the beginning of September and hams Monday were up \$50.00 plus.

Lean Hog trade volume has been very light. The October/December spread is ridiculously wide.

Wide price fluctuations and light volume trading are indicators of possible change.

China has stopped loads of beef, pork, poultry and fish sales from some Brazilian packers because they found COVID 19 on shipments. China stopped pork from Germany because Germany found feral hogs with African Swine Fever but no hogs were found in commercial hog herds. China has stopped poultry from a couple plants in the US. Last big US pork purchase in September was for pork to replace storage because of pork auctioned for Chinese Moon Festival.. China has released reports it has plans to be 95% self sufficient in meat and has doubled poultry output and is now close to production of hogs pre-African Swine Fever.





Hog weights aren't dropping indicating packers have plenty of hogs.

=====

OCTOBER HOGS SETTLED \$12.45 OVER DECEMBER GAINING 35 CENTS ON TUESDAY. IN 2018 THE SPREAD WENT OFF THE BOARD WITH OCTOBER \$13.75 OVER DECEMBER.

=====

### OCTOBER 6, 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

OCTOBER 6, 2020

LOADS OF PORK CUTS: 331.51

LOADS TRIM/PROCESSED PORK: 29.32

#### FINAL

| Date                | Loads  | Carcass | Loin  | Butt  | Pic     | Rib    | Ham    | Belly  |
|---------------------|--------|---------|-------|-------|---------|--------|--------|--------|
| 10/06/2020          | 360.82 | 92.55   | 86.37 | 97.70 | 66.01   | 147.85 | 67.34  | 159.98 |
| CHANGE :            |        | -2.45   | 0.92  | 2.09  | -1.76   | 3.35   | -16.54 | 7.33   |
| Five Day Average -- |        | 93.34   | 84.00 | 93.97 | 66.66 1 | 42.51  | 81.27  | 152.02 |

#### NOON

| Date                | Loads  | Carcass | Loin  | Butt  | Pic   | Rib    | Ham    | Belly  |
|---------------------|--------|---------|-------|-------|-------|--------|--------|--------|
| 10/06/2020          | 219.93 | 94.95   | 86.25 | 97.21 | 64.73 | 148.29 | 70.34  | 171.38 |
| CHANGE :            |        | -0.05   | 0.80  | 1.60  | -3.04 | 3.79   | -13.54 | 18.73  |
| Five Day Average -- |        | 93.82   | 83.97 | 93.88 | 66.40 | 142.60 | 81.87  | 154.30 |

#### FINAL

| Date                | Loads  | Carcass | Loin  | Butt  | Pic   | Rib    | Ham   | Belly  |
|---------------------|--------|---------|-------|-------|-------|--------|-------|--------|
| 10/05/2020          | 285.80 | 95.00   | 85.45 | 95.61 | 67.77 | 144.50 | 83.88 | 152.65 |
| CHANGE :            |        | 2.85    | 1.08  | 0.32  | 1.84  | 3.34   | 5.54  | 3.86   |
| Five Day Average -- |        | 93.18   | 82.80 | 92.19 | 66.49 | 140.79 | 84.81 | 149.55 |

### PREVIOUS WEEKS CLOSE FINAL 10/02/2020

| Date       | Loads  | Carcass | Loin  | Butt  | Pic   | Rib    | Ham   | Belly  |
|------------|--------|---------|-------|-------|-------|--------|-------|--------|
| 10/02/2020 | 295.38 | 92.15   | 84.37 | 95.29 | 65.93 | 141.16 | 78.34 | 148.79 |

### NATIONAL DAILY DIRECT HOG PRIOR DAY REPORT - SLAUGHTERED SWINE SLAUGHTER DATA FOR OCTOBER 2 AND 3, 2020

Average carcass weight - 282.52



Average live weight - 211.13  
[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 October 6, 2020  
 NATIONAL NEGOTIATED PURCHASE BASE CARCASS PRICES  
 Carcass Base Price: \$60.00 - \$65.00  
 Weighted Average: \$64.08  
 Change from Prior Day: 0.47 lower  
 HOGS SOLD: 4,803

SWINE OR PORK MARKET FORMULA PURCHASE (Including Packer Sold)  
 PRICE RANGE: \$62.91 - \$90.57  
 Weighted Average: \$76.72  
 Previous Day: \$75.73  
 HOGS SOLD: 147,826  
[https://www.ams.usda.gov/mnreports/lm\\_hq203.txt](https://www.ams.usda.gov/mnreports/lm_hq203.txt)

OCTOBER 2020/DECEMBER 2020 LEAN HOG SPREAD – RIDICULOUSLY WIDE





**OCTOBER 2020 LEAN HOGS –**



**DECEMBER 2020 LEAN HOGS – Resistance Tuesday's high up to 66.82 Support 63.00 to 59.20 Volume 17.978**

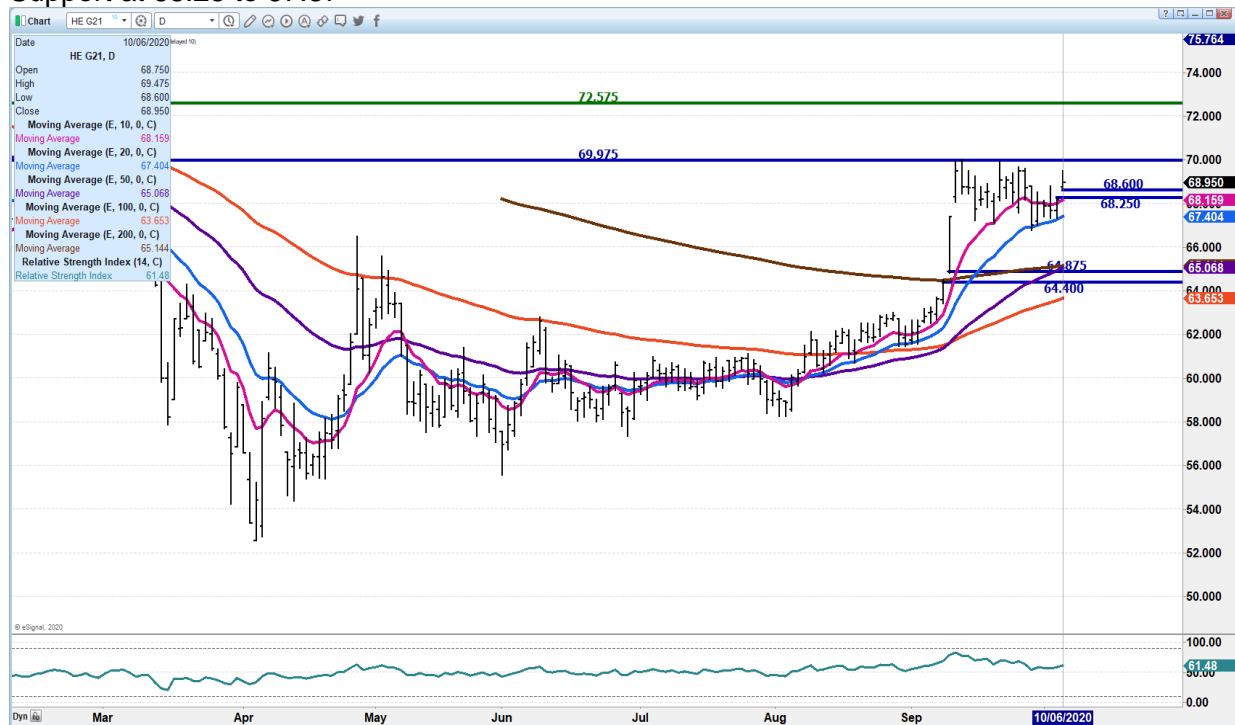


**ADMIS.com | 312.242.7000 | Chicago | New York | London | Hong Kong | Singapore | Taipei | Shanghai**

The information and comments contained herein is provided by ADM Investor Services, Inc. ("ADMIS") and NOT ADM. Futures and options trading involve significant risk of loss and may not be suitable for everyone. Therefore, carefully consider whether such trading is suitable for you in light of your financial condition. This report includes information from sources believed to be reliable and accurate as of the date of this publication, but no independent verification has been made and we do not guarantee its accuracy or completeness. Research analyst does not currently maintain positions or have financial interest in the commodities specified within this report. Any reproduction or retransmission of this report without the express written consent of ADM Investor Services, Inc. is strictly prohibited. Again, the information and comments contained herein is provided by ADMIS and in no way should be construed to be information provided by ADM. Copyright © ADM Investor Services, Inc.



**FEBRUARY 2021 LEAN HOGS – RESISTANCE 69.97 TO CONTRACT HIGH AT 72.57**  
**Support at 68.25 to 67.37**



CHARTS FROM ESIGNAL INTERACTIVE, INC.

[Chris.Lehner@admis.com](mailto:Chris.Lehner@admis.com)    312 242 7942    913.787.6804