



MORNING November 10, 2020 Livestock Report

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CATTLE

USDA FEDERAL CATTLE SLAUGHTER

NOVEMBER 9, 2020	117,000
WEEK AGO	119,000
YEAR AGO	112,000

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	CHOICE	SELECT
BOXED BEEF FINAL	217.39	202.37
CHANGE FROM PRIOR DAY	3.07	3.88
CHOICE/SELECT SPREAD:		15.02
TOTAL LOAD COUNT		122
5 DAY SIMPLE AVERAGE:	211.03	196.51

PREVIOUS WEEK 11/06/2020	CHOICE	SELECT
BOXED BEEF FINAL PRICE	214.32	198.49

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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 NOVEMBER 9, 2020

Primal Rib	401.77	334.57
Primal Chuck	180.84	177.28
Primal Round	180.05	178.57
Primal Loin	273.11	245.03
Primal Brisket	152.31	152.88
Primal Short Plate	124.51	124.51
Primal Flank	101.38	100.32

FINAL NOVEMBER 6, 2020

Primal Rib	400.63	333.80
Primal Chuck	174.72	171.75
Primal Round	176.72	174.04
Primal Loin	271.81	240.13
Primal Brisket	151.34	152.63
Primal Short Plate	123.61	123.61
Primal Flank	101.41	99.46

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LOAD COUNT AND CUTOFF VALUE SUMMARY FOR PRIOR 5 DAYS

Date	Choice	Select	Trim	Grinds	Total	CHOICE	SELECT
						600-900	600-900
11/06	60	21	23	11	115	214.32	198.49
11/05	96	32	6	15	149	212.55	198.97
11/04	111	17	18	20	166	210.19	197.05
11/03	82	38	17	14	151	209.44	195.45
11/02	87	17	23	18	145	208.65	192.62

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	64.25 loads	2,569,893 pounds
Select Cuts	19.74 loads	789,740 pounds
Trimblings	17.60 loads	703,816 pounds
Ground Beef	20.68 loads	827,085 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)

NOVEMBER USDA LIVESTOCK REPORTS

CATTLE ON FEED REPORT NOVEMBER 20, 2020 AT 2:00PM CENTRAL TIME
COLD STORAGE REPORT NOVEMBER 23, 2020 2:00PM CENTRAL TIME

USDA POSTED CATTLE PRICES ON 11/09/2020

IA/MN – CASH No Reportable Trade. - DRESSED No Reportable Trade.

NE - CASH – No Reportable Trade.- No Reportable Trade.

KS – CASH No Reportable Trade. DRESSED No Reportable Trade.

TX/OK/NM – No Reportable Trade.

CO – Information not available due to confidentiality

*****National Daily Direct Cattle November 09, 2020**
(5 day accumulated weighted avg)

	Weight	Price	Head
Live Steer:	1502	\$106.26	49,513
Live Heifer:	1351	\$106.45	27,600
Dressed Steer:	977	\$165.46	14,961
Dressed Heifer:	865	\$166.23	5,510



Live Cattle and Feeders rallied with stock indexes higher but also demand. Cattle in the South and Southwest are current. The North and Midwest still have too many overfed cattle in the mix. Packer profits are big, and they want to push through as many cattle as possible.

At this time because of the demand for ground and trimmings, big cuts can be used except for cuts specifically for the dinner table like steaks, some are far too big. Retailers are boning out cuts and trimming fat to downsize. Loins have not rallied like other cuts. Packers will need to discount heavy cattle to get feedlots to clean them up.

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The Choice and Select boxed beef composite were higher early Monday with Select doing better than Choice. The reason, consumers are buying ground beef products and processed products to freeze. At the same time retailers are buying high end rib sections for the December holidays. There may not be the big venue and office parties in 2020 as there have been over the past decade, but retailers will have specials on cuts like standing rib roasts expecting consumers to have small gatherings. 80 percent to 85 percent of consumers didn't stop working or if laid off last spring, it wasn't for long. The M1 and M2 money supplies have increased in the US as well as many countries. In other words, consumers have money to spend.

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Packers continue to forward contract at plus \$1.00 for cattle December through April and plus \$4.00 over the board May through the summer. Packers paying over means they have orders they need they know they will have to fill. It can also be a sign, they know there will be fewer cattle available.

Into 2021, cattle numbers should see a slowdown in the US. Less cows were bred during the spring and there was cow liquidation with the extreme heat and drought in the Southwest to West over the summer.

But into 2021, beef will be competing with more pork and poultry. China has 2.5 times more poultry it built up to make up for less pork. Also, China is back to 90% the hog herd pre African Swine Fever with plans of having up to 50% more by mid-2021 and plans to keep increasing. It is good for US grain producers, but it means US livestock producers have to hedge feed if they have not already done so.

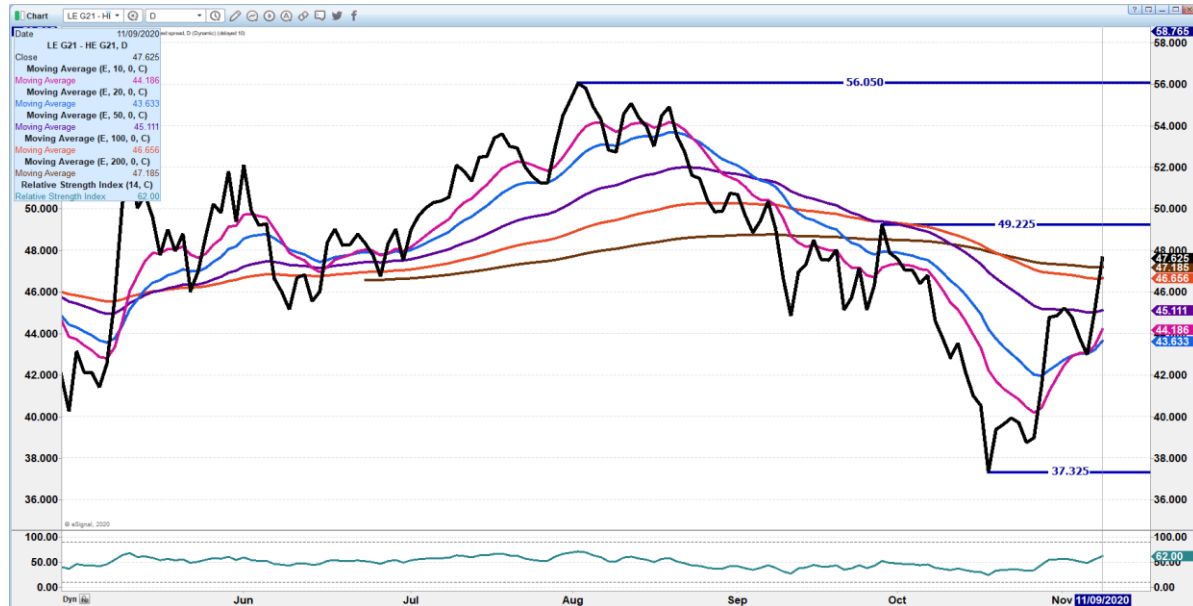
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As of November 3, 2020, dressed steer and heifer weights were 900.9 compared to previous week at 900.3 up .6 pound from week ago and 24 pounds over a year ago. Grading percent was 81.5%, down compared to previous week at 81.0%.



CHARTS ARE ON MORNING REPORTS

FEBRUARY 2021 LIVE CATTLE/FEBRUARY 2021 LEAN HOG SPREAD - CATTLE SHOULD KEEP GAINING ON HOGS



DECEMBER 2020/FEBRUARY 2021 LIVE CATTLE SPREAD - IN NORMAL RANGE. WATCH FOR CHANGE IN DIRECTION.



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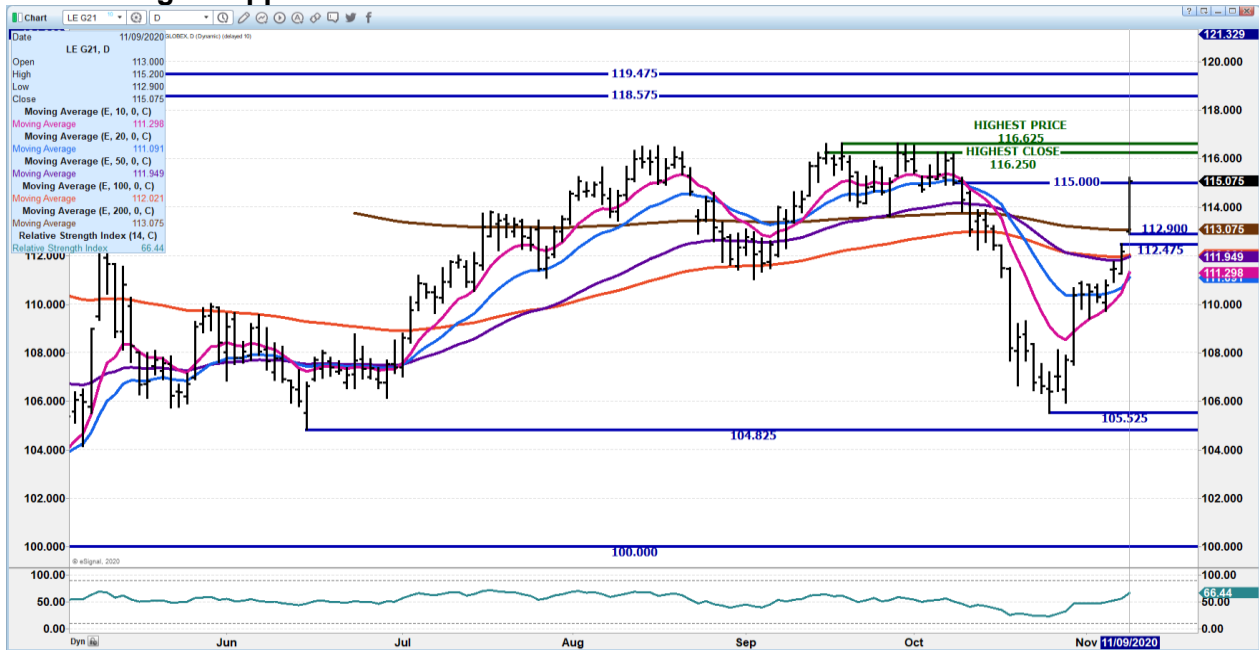
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DEC 2020 LIVE CATTLE - STRONG TECHNICAL CLOSE. RESISTANCE 113.12 TO 114..05 TO GAP AT 116.00 TO 116.80 HEAVY VOLUME AT 45,621 Support at 109.97 to 108.82



FEBRUARY 2021 LIVE CATTLE – volume 34,505 Resistance at 116.25 to 116.62 the contract high Support at 113.07 to 112.90

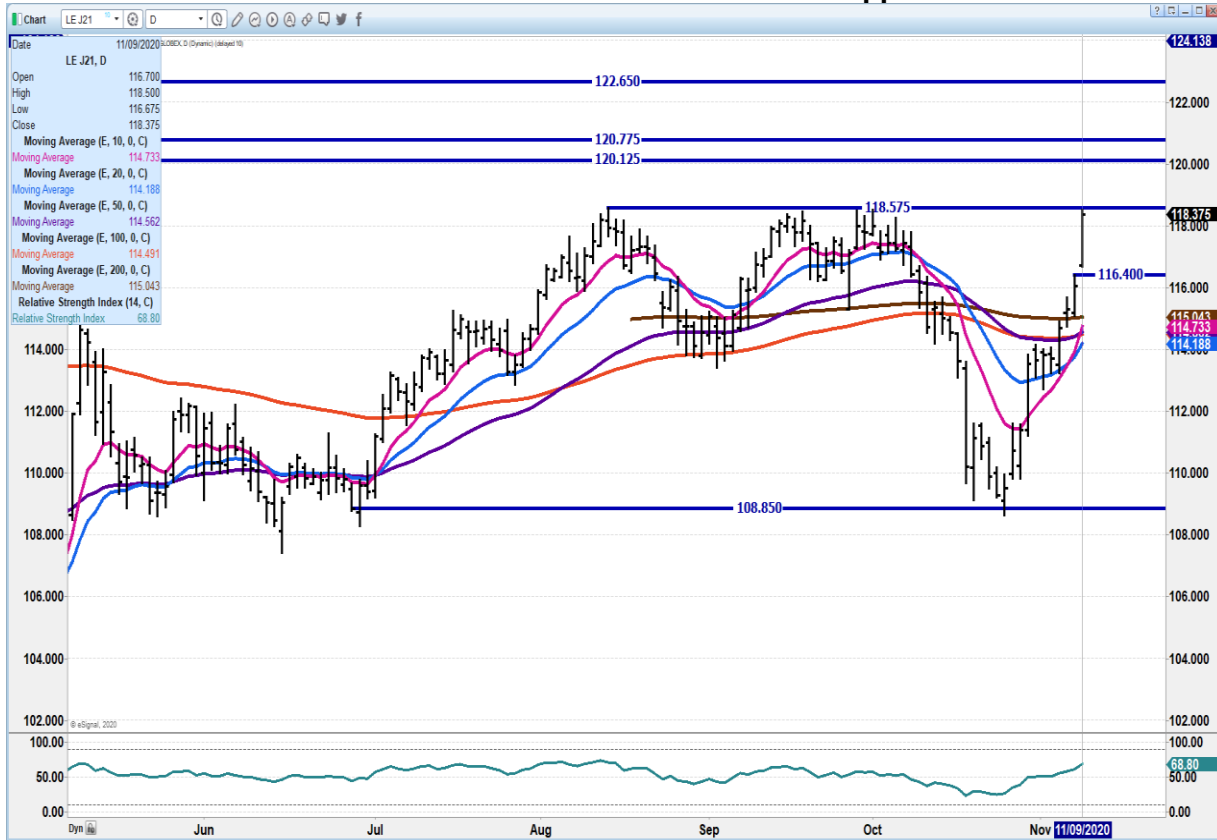


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APRIL 2021 LIVE CATTLE – resistance at 120.12 to 120.77 Support at 116.40 to 115.00



Feeder Cattle

THE CME FEEDER INDEX ON 11/06/2020 WAS 135.58 DOWN 1.05 FROM PREVIOUS DAY

NOVEMBER 2020 FEEDER CATTLE FUTURES SETTLED ON NOVEMBER 9, 2020 AT \$141.62

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**OKLAHOMA NATIONAL STOCKYARDS FEEDER CATTLE - OKLAHOMA CITY, OK
MONDAY NOV 9, 2020**

	THIS WEEK	LAST REPORTED 11/2/2020	LAST YEAR
TOTAL RECEIPTS:	11,300	2,661	8,206



COMPARED TO LAST WEEK'S LIGHT TEST: FEEDER STEERS 5.00-8.00 HIGHER, FEEDER HEIFERS STEADY TO 5.00 HIGHER THAN LAST WEEK'S LIMITED OFFERINGS. STEER AND HEIFER CALVES 4.00-10.00 HIGHER. DEMAND GOOD FOR FEEDER CATTLE, ESPECIALLY HEAVIER WEIGHTS.

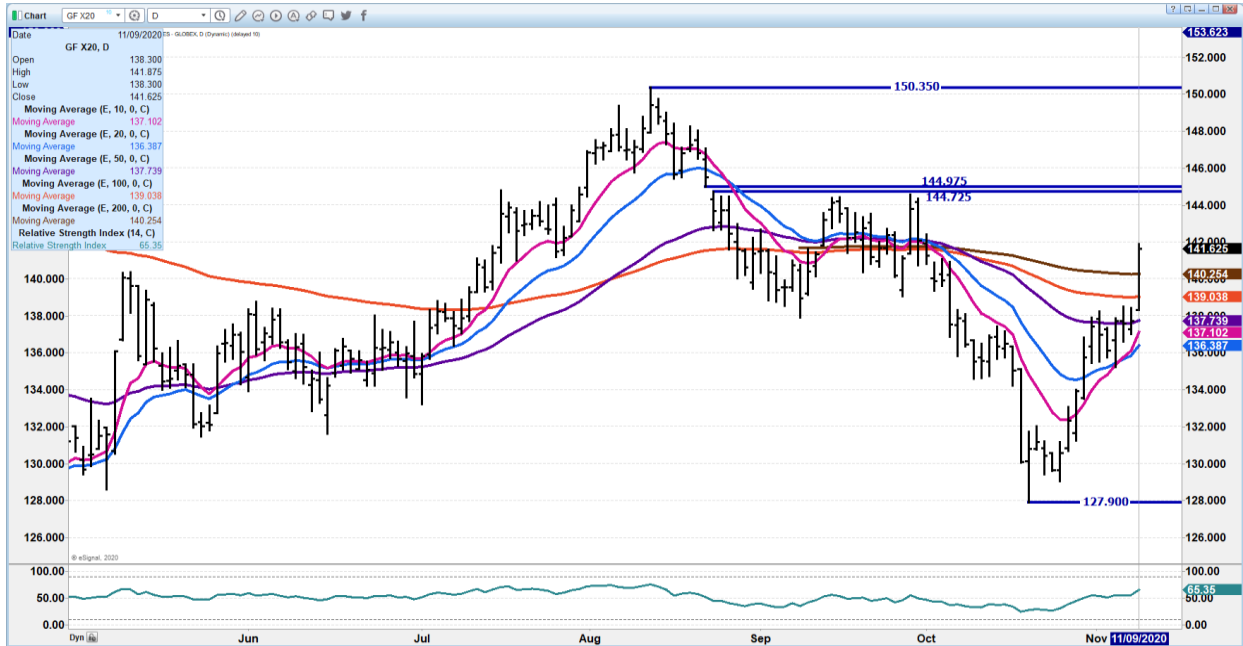
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CHARTS ARE ON MORNING REPORTS

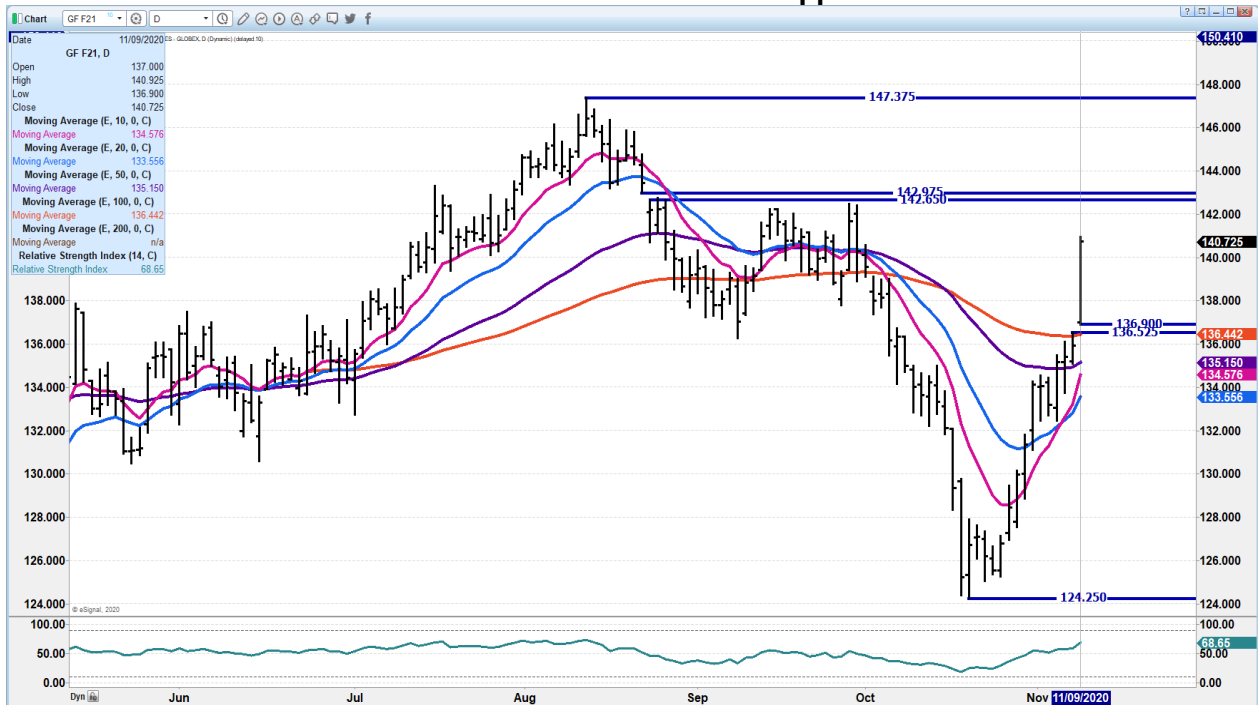
JANUARY 2021/MARCH 2021 FEEDER CATTLE SPREAD – NARROWING IS FRIENDLY LOOK FOR FURTHER NARROWING



NOVEMBER 2020 FEEDER CATTLE - 142.37 TO 144.72 RESISTANCE.. SUPPORT 140.25 TO 137.37



JANUARY 2021 FEEDER CATTLE – 142.65 to 142.97 Support at 136.90



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LEAN HOGS

USDA ESTIMATED FEDERAL HOG SLAUGHTER

NOVEMBER 9, 2020	493,000
WEEK AGO	493,000
YEAR AGO	444,000

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CME CASH HOG INDEX 11/05/2020 AT 71.12 DOWN .40 FROM PREVIOUS DAY

CME CASH PORK CUTOUT INDEX 11/06/2020 AT 83.82 UP .05 FROM PREVIOUS DAY

CME CASH FRESH BACON INDEX ON 11/06/2020 WAS 158.37 COMPARED TO 10/30/2020 WAS 188.44

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Hogs were up Monday mostly as the tail of the dog on the, stock indexes, Live Cattle and Feeder Cattle rally. Volume was light, hog volume was half that of cattle volume.

Pork cutout up as hams erase part of Friday's losses. Loins are stagnant even though retailers will show loin specials over the next month.

Mexican Peso strong. Strength in Peso is positive to hams, and bellies.

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A year ago China began to buy big in November and December. Several reports say they have 30% more pork than they did a year ago. They do have more in storage but look for a pick up in sales over next two months. Last year the Chinese New Year Festival began on January 24 and ended on January 30th. In 2021 the Winter Festival is about two weeks later and begins on February 11th and ends on February 17th so if needed they have two more weeks in 2021. Compared to a year ago, China is starting out with more pork in storage and a larger hog herd. A year ago, COVID 19 locked down most of China limiting travel and big celebrations but there were still celebrations. China now has strict policies in place and hasn't seen a winter breakout this year. Unlike a year ago China is checking loads of any commodity and exporters need to be aware if found, China will stop exports from plants where it has been found.

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Moving into December and 2021 look for fewer hogs. Unless packers have a lot of their own hidden and can bring them to kill, the problems of last spring and fewer sows bred



will start to be more noticeable. However, global numbers are increasing and that is negative to US hogs.

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Pork Cutout Futures and Options Fact Card

<https://www.cmegroup.com/education/articles-and-reports/pork-cutout-futures-and-options-fact-card.html>

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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

NOVEMBER 9, 2020

LOADS OF PORK CUTS: 321.38

LOADS TRIM/PROCESSED PORK: 32.03

FINAL

Date	Loads	Carcass	Loin	Butt	Pic	Rib	Ham	Belly
11/09/2020	353.41	85.69	76.54	80.12	67.04	131.46	95.41	107.51
CHANGE :		1.63	0.43	-0.54	3.82	2.57	7.38	-3.14
Five Day Average --		84.31	75.57	79.58	62.38	130.61	90.12	110.97

FINAL PREVIOUS WEEK'S CLOSE

Date	Loads	Carcass	Loin	Butt	Pic	Rib	Ham	Belly
11/06/2020	307.57	84.06	76.11	80.66	63.22	128.89	88.03	110.65

NATIONAL DAILY DIRECT HOG PRIOR DAY REPORT - SLAUGHTERED SWINE

SLAUGHTER DATA FOR NOVEMBER 6 AND 7, 2020

Average live weight - 288.17

Average carcass - 214.38

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DAILY DIRECT HOGS PLANT DELIVERED AS OF 1:30 PM November 09, 2020

NATIONAL NEGOTIATED PURCHASE BASE CARCASS PRICES

Carcass Base Price: \$55.00 - \$63.00

Weighted Average: \$60.93

Change from Prior Day: 0.68 higher

HOGS SOLD: 5,170



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SWINE OR PORK MARKET FORMULA PURCHASE (Including Packer Sold)

PRICE RANGE: \$59.96 - \$80.33

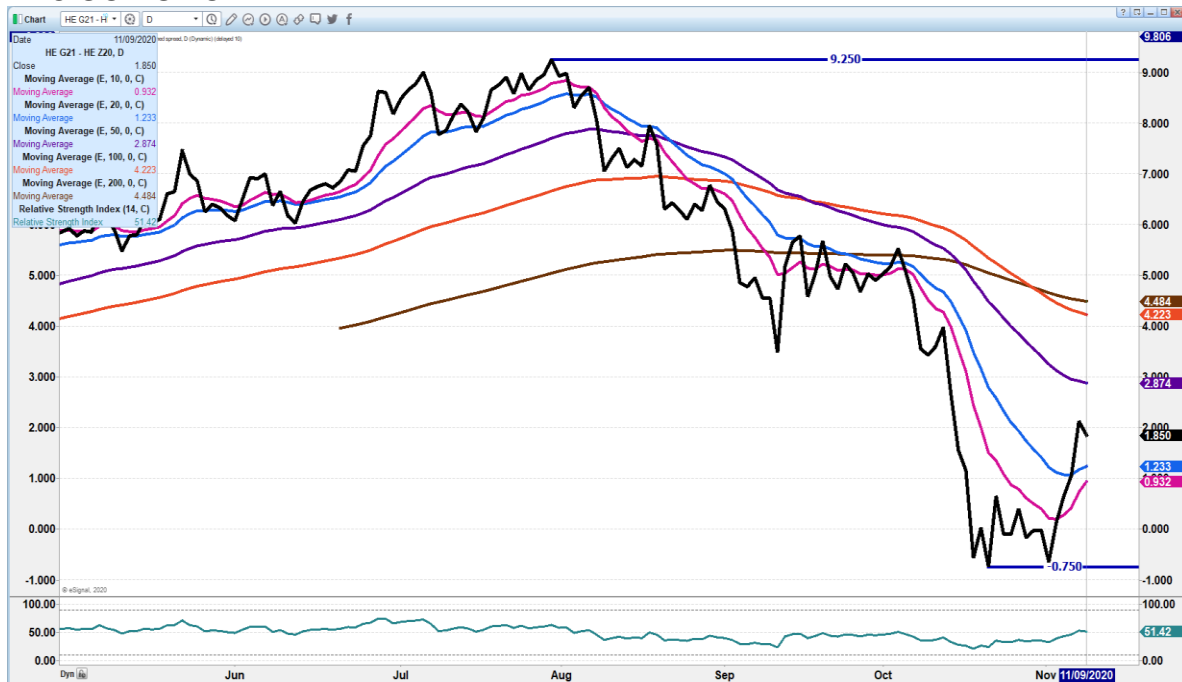
Weighted Average: \$69.93

Previous Day: \$70.16

HOGS SOLD: 222,190

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

FEBRUARY 2021/DECEMBER 2020 LEAN HOG SPREAD = FEB CONTINUE TO GAIN ON DEC GOING FORWARD

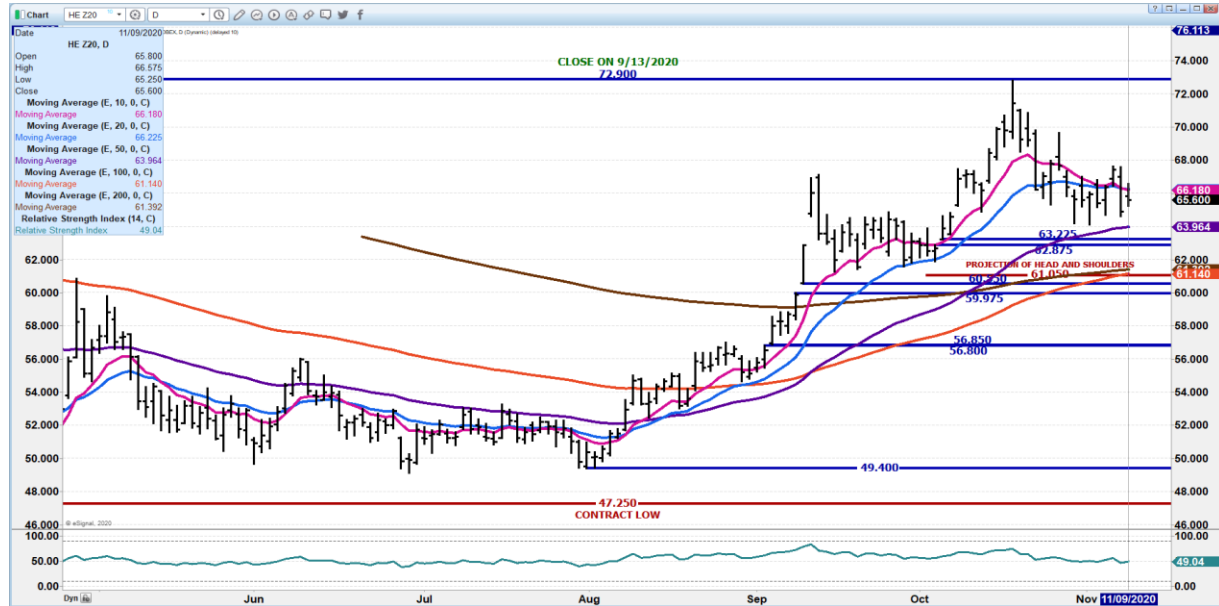


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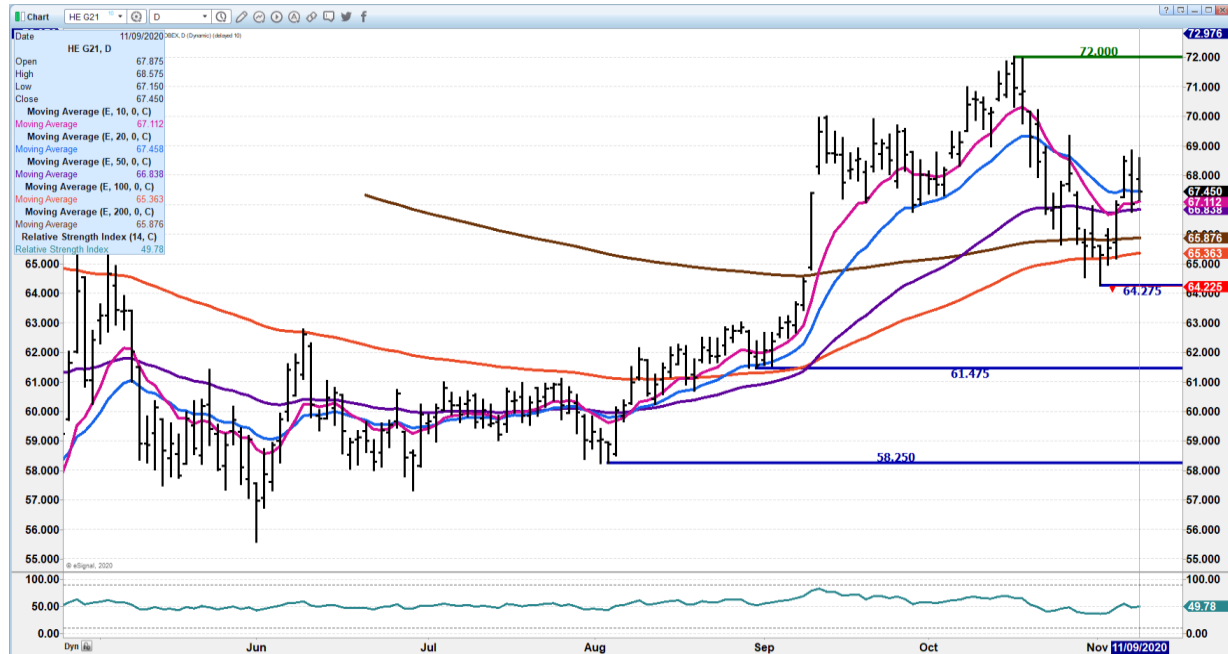
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DECEMBER 2020 LEAN HOGS – SUPPORT 63.97 TO 61.37



FEBRUARY 2021 LEAN HOGS – SUPPORT AT 67.12 TO 65.37 RESISTANCE 68.87

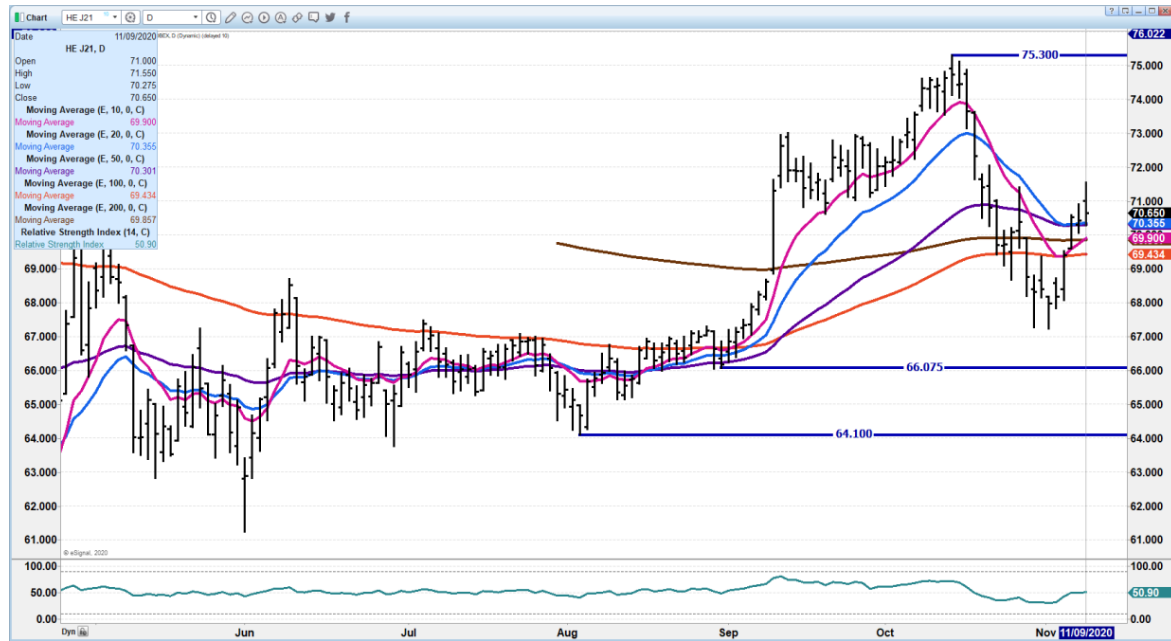


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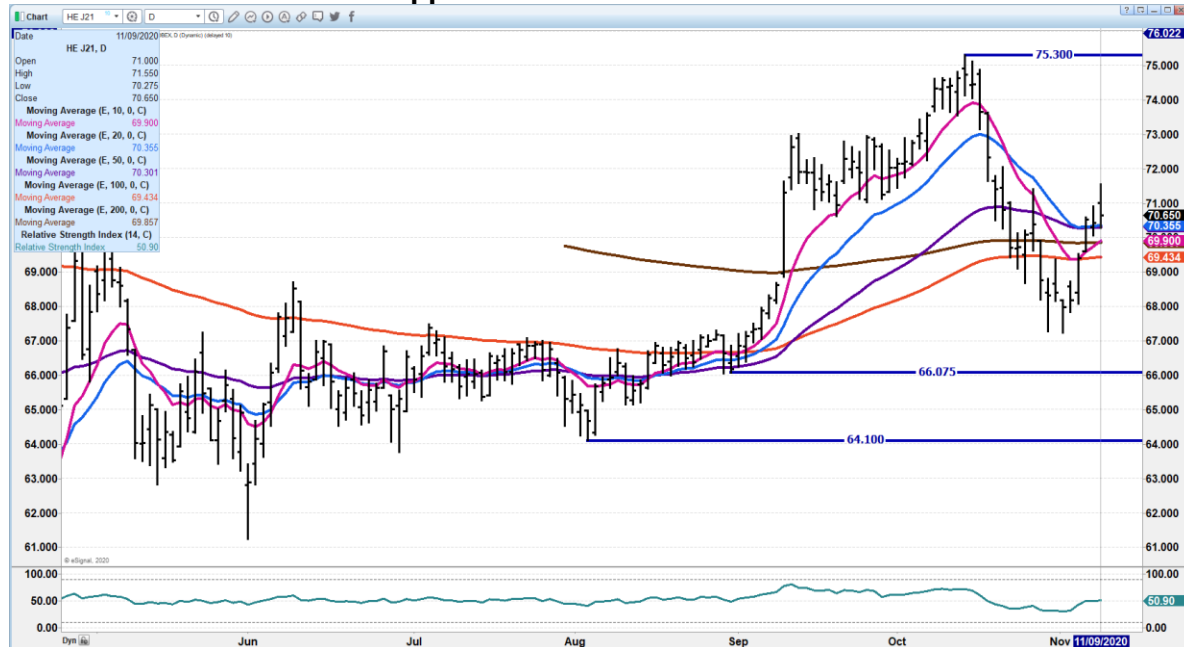
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APR 2021 LEAN HOGS – SUPPORT AT 69.87 TO 69.37 RESISTANCE AT 71.55 TO 72.15



JUNE 2021 LEAN HOGS – support 79.50 Resistance at 81.87



CHARTS FROM ESIGNAL INTERACTIVE, INC.

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