



## TUESDAY MORNING JANUARY 5, 2021 LIVESTOCK REPORT

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### CATTLE

#### USDA FEDERAL CATTLE SLAUGHTER

|                             |         |                                     |
|-----------------------------|---------|-------------------------------------|
| JANUARY 01, 2021            | 0       |                                     |
| WEEK AGO                    | 0       |                                     |
| YEAR AGO                    | 121,000 |                                     |
| SATURDAY 01/02/2021         | 67,000  | - A WEEK AGO 1,000, YEAR AGO 84,000 |
| WEEK TO DATE (EST)          | 515,000 |                                     |
| SAME PERIOD LAST WEEK (EST) | 419,000 |                                     |
| SAME PERIOD LAST YEAR (ACT) | 550,000 |                                     |
| 2021 YEAR TO DATE           | 67,000  |                                     |

|                  |         |
|------------------|---------|
| JANUARY 04, 2021 | 115,000 |
| WEEK AGO         | 119,000 |
| YEAR AGO         | 121,000 |

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|                       | CHOICE | SELECT |
|-----------------------|--------|--------|
| BOXED BEEF FINAL      | 209.87 | 196.53 |
| CHANGE FROM PRIOR DAY | (0.08) | 0.88   |
| CHOICE/SELECT SPREAD: |        | 13.34  |
| TOTAL LOAD COUNT      |        | 102    |
| 5 DAY SIMPLE AVERAGE: | 209.22 | 197.11 |

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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 JANUARY 04, 2021

|                    |        |        |
|--------------------|--------|--------|
| Primal Rib         | 366.70 | 292.70 |
| Primal Chuck       | 180.53 | 180.93 |
| Primal Round       | 182.28 | 183.56 |
| Primal Loin        | 261.15 | 235.62 |
| Primal Brisket     | 147.94 | 153.34 |
| Primal Short Plate | 111.13 | 111.13 |
| Primal Flank       | 94.80  | 90.33  |



**FINAL DECEMBER 31, 2020**

|                    |        |        |
|--------------------|--------|--------|
| Primal Rib         | 365.66 | 291.78 |
| Primal Chuck       | 178.32 | 175.95 |
| Primal Round       | 183.23 | 182.90 |
| Primal Loin        | 262.92 | 239.30 |
| Primal Brisket     | 151.57 | 151.94 |
| Primal Short Plate | 112.28 | 112.28 |
| Primal Flank       | 94.89  | 91.89  |

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

| Date  | Choice | Select | Trim | Grinds | Total | CHOICE  | SELECT  |
|-------|--------|--------|------|--------|-------|---------|---------|
|       |        |        |      |        |       | 600-900 | 600-900 |
| 12/31 | 87     | 34     | 11   | 12     | 144   | 209.35  | 194.97  |
| 12/30 | 81     | 21     | 16   | 23     | 141   | 210.53  | 199.86  |
| 12/29 | 92     | 18     | 11   | 22     | 144   | 210.30  | 195.48  |
| 12/28 | 86     | 36     | 23   | 16     | 160   | 207.82  | 196.65  |
| 12/23 | 68     | 23     | 10   | 18     | 119   | 207.54  | 197.93  |
| 12/22 | 79     | 23     | 10   | 33     | 145   | 210.67  | 199.59  |

**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 | 59.99 loads | 2,399,756 pounds |
| Select Cuts | 20.33 loads | 813,283 pounds   |
| Trimming    | 7.57 loads  | 302,837 pounds   |
| Ground Beef | 14.38 loads | 575,153 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)

**USDA POSTED CATTLE PRICES ON 01/04/2021**  
**IA/MN – CASH –109.00 - 110.00 ON 362 HEAD WEIGHT 1,475 - 1,575 Dressed.- No Reportable Trade.**



**NE - CASH – No Reportable Trade. Dressed. No Reportable Trade.  
 KS – CASH No Reportable Trade.  
 TX/OK/NM – No Reportable Trade.  
 CO – No Reportable Trade.**

**\*\*\*National Daily Direct Cattle 01/04/2021  
 (5 day accumulated weighted avg)**

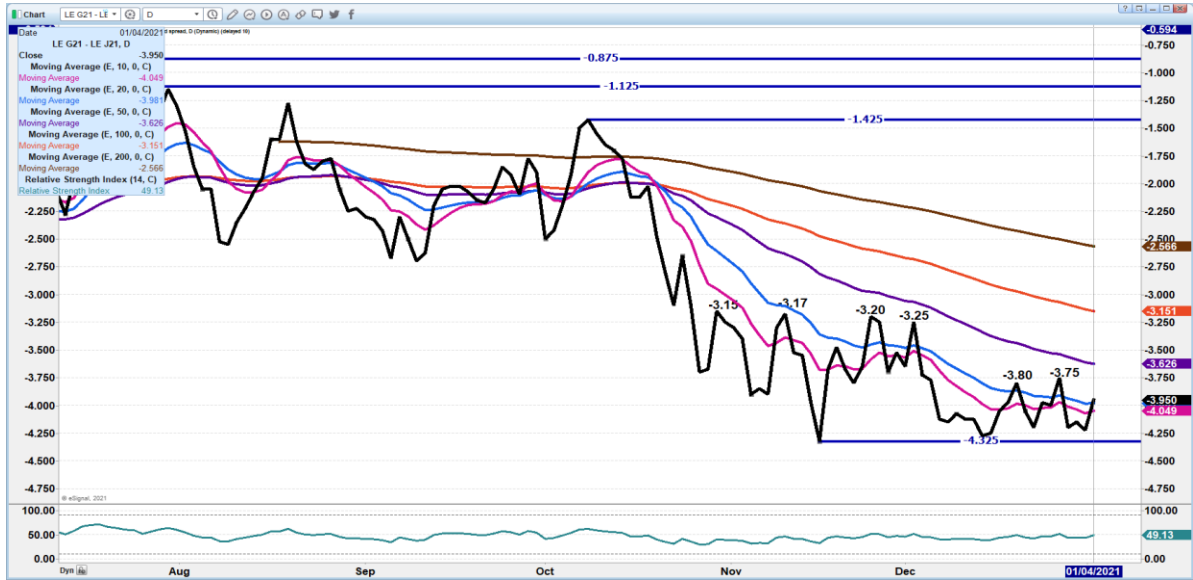
|                        | <b>Weight</b> | <b>Price</b>    | <b>Head</b>    |
|------------------------|---------------|-----------------|----------------|
| <b>Live Steer:</b>     | <b>1479</b>   | <b>\$110.49</b> | <b>59,529:</b> |
| <b>Live Heifer:</b>    | <b>1324</b>   | <b>\$110.46</b> | <b>31,404</b>  |
| <b>Dressed Steer:</b>  | <b>967</b>    | <b>\$173.35</b> | <b>27,929</b>  |
| <b>Dressed Heifer:</b> | <b>863</b>    | <b>\$173.80</b> | <b>5,791</b>   |

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 Here we are in a non-spot month and it is time spec traders can and often do take control. But the drop in cattle can at least be compared to last week’s cash markets. Also, throughout December cattle were bear spreading and Monday the futures showed why.

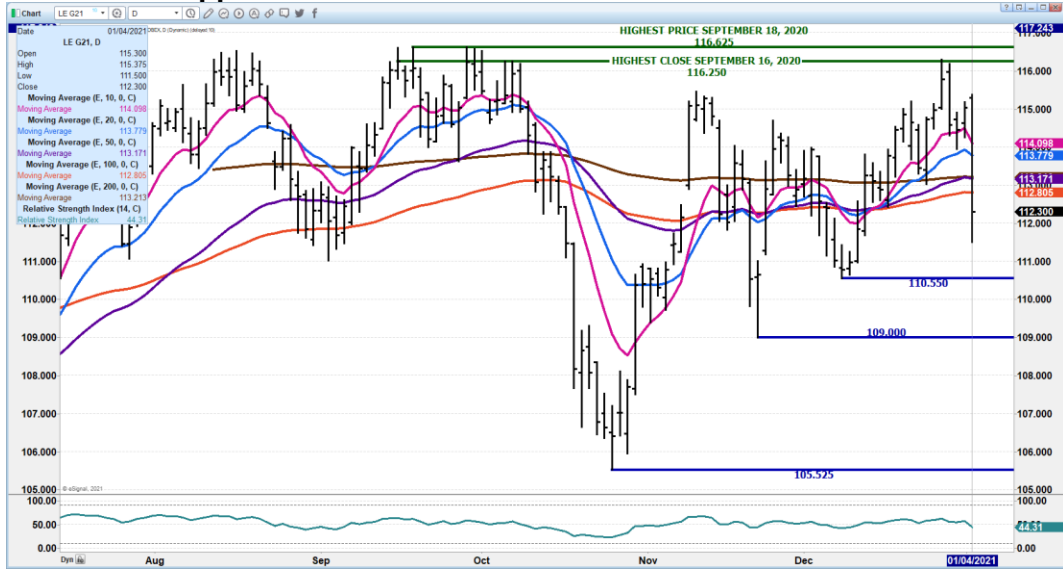
Traders in 2021 are expecting to see fewer exports. Over the next two months, cattle slaughter is not expected to decrease. Market demand for middle and lower primal cuts and Select beef shows consumers are buying the cheaper cuts trimmings and ground beef. Export competition is going to hurt US exports

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**FEBRUARY 2021 LIVE CATTLE/APRIL 2021 LIVE CATTLE SPREAD –**



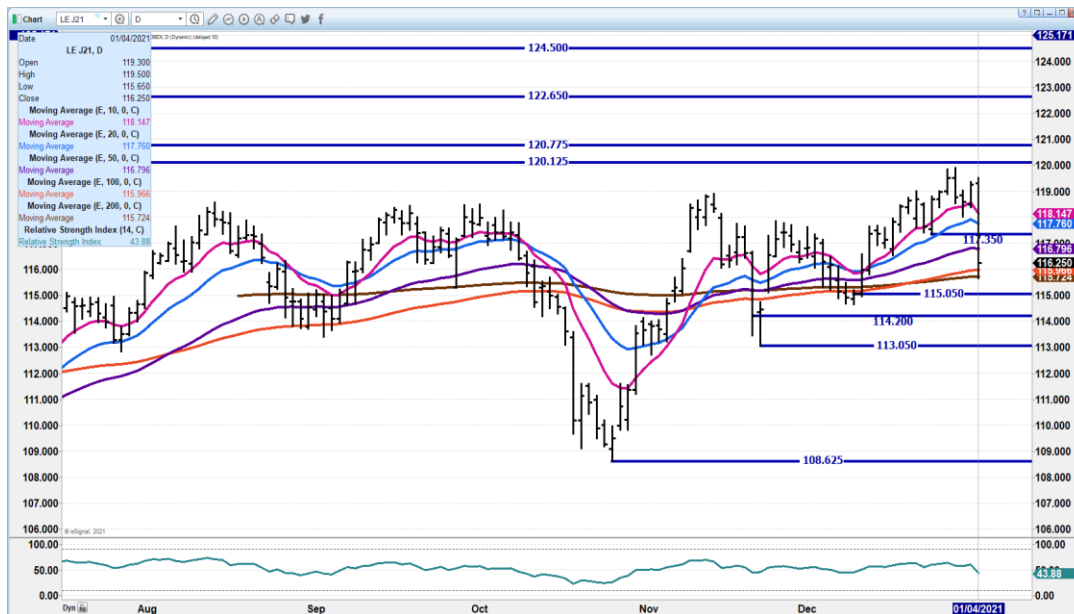
**FEBRUARY 2021 LIVE CATTLE – HEAVY VOLUME WITH 32,253 CONTRACTS TRADED MONDAY. Support 110.55 Resistance at 112.82 to 113.16**



**APRIL 2021 LIVE CATTLE - SUPPORT AT 115.67 TO 115.05 RESISTANCE AT 116.67 TO 117.35**



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## Feeder Cattle

**THE CME FEEDER INDEX ON 01/01/2020 WAS 136.55 DOWN 2.22 FROM PREVIOUS DAY**

**JANUARY 2021 FEEDER CATTLE FUTURES SETTLED ON JANUARY 4, 2021 AT \$134.95**

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**PACKERS ARE NOT PUSHING FOR FORWARD CONTRACTS AND IT IS ONE REASON FEEDER CATTLE AREN'T MOVING UP. MIDWEST PRODUCERS HAVE BEEN KEEPING CATTLE LONGER INSTEAD OF REPLACING THEM OPTING TO SELL CORN IN 2021 INSTEAD OF FEEDING CATTLE.**

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**MARCH 2021/APRIL 2021 FEEDER CATTLE SPREAD - SPREAD WIDENING IS BEARISH**

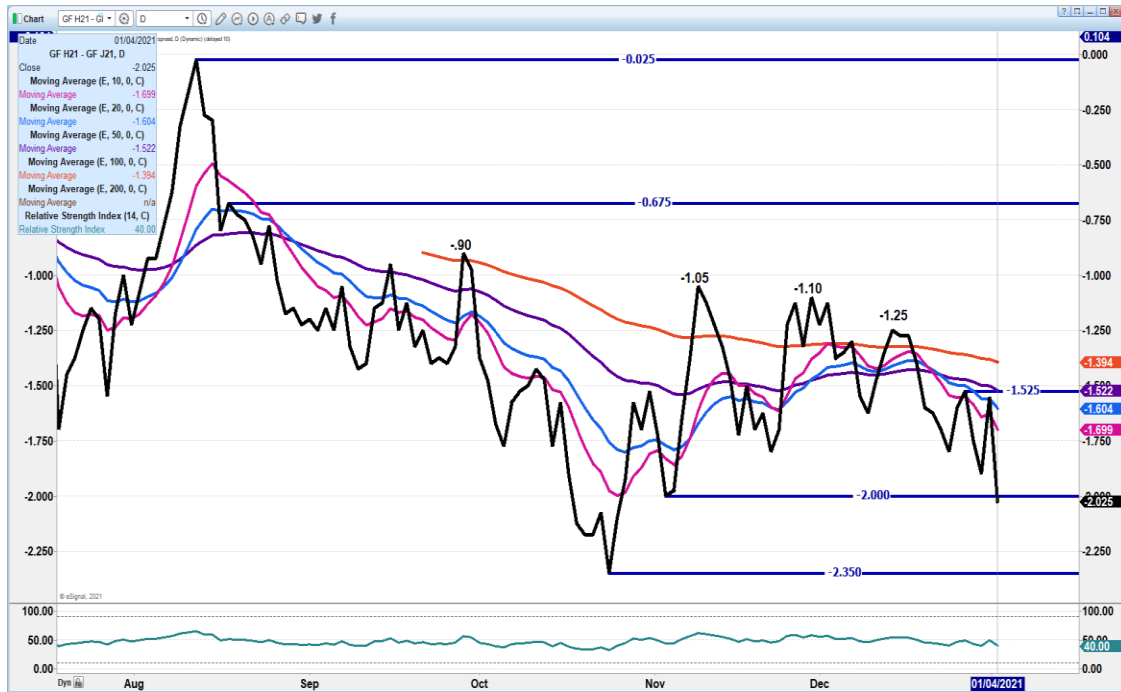
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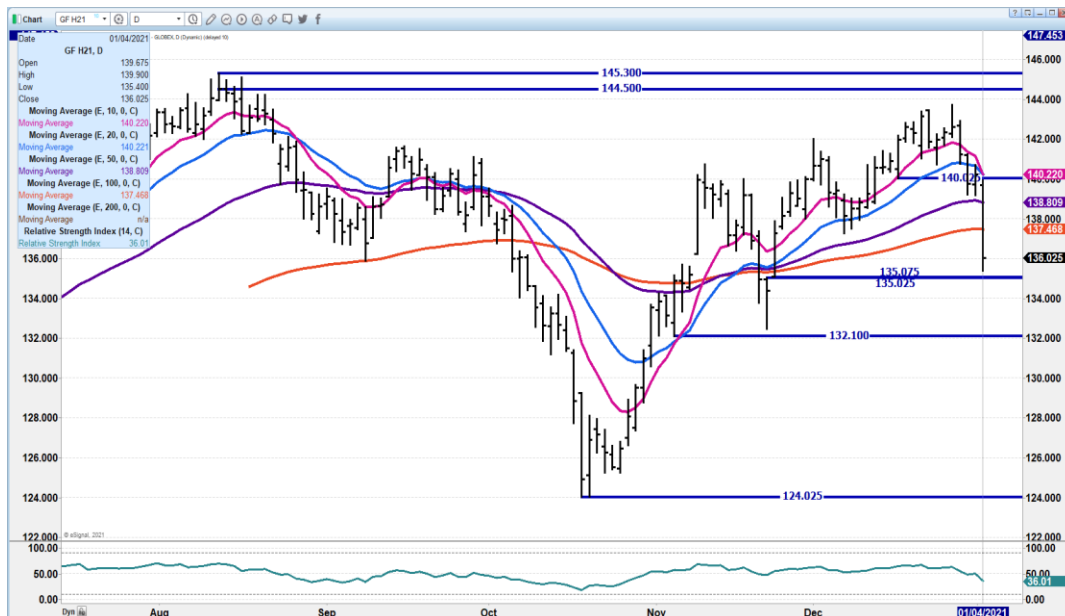
**MARCH 2021 FEEDER CATTLE – volume 9768 which is big for feeder cattle Resistance at 137.50 to 138.80 Support at 135.02 to 132.10**

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**APRIL 2021 FEEDER CATTLE – support at 136.60 to 134.17 Resistance at 139.07 to 140.33**



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## LEAN HOGS

### USDA ESTIMATED FEDERAL HOG SLAUGHTER

|                             |           |                                      |
|-----------------------------|-----------|--------------------------------------|
| JANUARY 1, 2021             | 0         |                                      |
| WEEK AGO                    | 0         |                                      |
| YEAR AGO                    | 493,000   |                                      |
| SATURDAY 01/02/2021         | 330,000-  | A WEEK AGO 65,000 - YEAR AGO 413,000 |
| WEEK TO DATE (EST)          | 2,168,000 |                                      |
| SAME PERIOD LAST WEEK (EST) | 1,740,000 |                                      |
| SAME PERIOD LAST YEAR (ACT) | 2,292,000 |                                      |
| 2020 YEAR TO DATE           | 330,000   |                                      |
| 2019 *YEAR TO DATE          | 1,398,000 |                                      |

### USDA ESTIMATED FEDERAL HOG SLAUGHTER

|                 |         |
|-----------------|---------|
| JANUARY 04.2021 | 490,000 |
| WEEK AGO        | 490,000 |
| YEAR AGO        | 497,000 |

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**CME CASH HOG INDEX 12/30/2020 AT 60.07 UP 21 CENTS FROM PREVIOUS DAY**

**CME CASH PORK CUTOUT INDEX 12/31/2020 AT 72.91 UP 1.87 CENTS FROM PREVIOUS DAY**

**CME CASH FRESH BACON INDEX ON 01/01/2021 WAS 123.79 COMPARED TO 12/25/2020 WAS 117.08**

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Lean hogs jumped on Monday as specs played spreads. Pork was higher early but when it is a total of 115 loads it isn't even a drop in the bucket. By the afternoon pork prices ended down 91 cents with hams going from plus \$25.41 in the morning at \$98.24 to settle the day down \$4.40 at \$68.43 The five day average by the afternoon changed by just 40 cents. Loins remain over hams and it has been hams that were the primal cut that kept the hog market from losing more than it did in November and most of December.

It will be interesting to see how exports do in 2021 as international competition increases

It is typical spec trading in a time when there isn't a spot market.





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**Watching individual pork primal cuts day to day will give false/ positive indicators. Trade the 5 day average and compare to previous week's change. If you give too much credence to individual cuts from one day to the next, it is like being on a teeter totter.**

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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**

**JANUARY 04, 2021**

**LOADS OF PORK CUTS: 303.68**

**LOADS TRIM/PROCESSED PORK: 26.37**

**FINAL**

| Date                | Loads  | Carcass | Loin  | Butt  | Pic   | Rib    | Ham   | Belly  |
|---------------------|--------|---------|-------|-------|-------|--------|-------|--------|
| 01/04/2021          | 330.05 | 77.77   | 74.07 | 73.16 | 44.82 | 145.11 | 68.43 | 119.88 |
| Change              |        | -0.81   | 0.64  | -1.69 | -6.26 | 1.13   | -4.40 | 8.00   |
| Five Day Average -- |        | 74.64   | 72.67 | 73.36 | 51.03 | 143.71 | 62.66 | 06.08  |

**NOON**

| Date                | Loads  | Carcass | Loin  | Butt  | Pic   | Rib    | Ham   | Belly  |
|---------------------|--------|---------|-------|-------|-------|--------|-------|--------|
| 01/04/2021          | 115.99 | 85.74   | 74.40 | 73.45 | 50.18 | 144.62 | 98.24 | 119.50 |
| Change              |        | 7.16    | 0.97  | -1.40 | -0.90 | 0.64   | 25.41 | 7.62   |
| Five Day Average -- |        | 76.24   | 72.73 | 73.42 | 52.10 | 143.61 | 68.62 | 106.00 |

**NATIONAL DAILY DIRECT HOG PRIOR DAY REPORT - SLAUGHTERED SWINE**

**Slaughter Data for December 30, 2020**

**Average live weight - 292.01**

**Average carcass - 219.34**

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**DAILY DIRECT HOGS PLANT DELIVERED AS OF 1:30 PM 0  
 NATIONAL NEGOTIATED PURCHASE BASE CARCASS PRICES**

**Carcass Base Price:**

**Weighted Average: 50.85**

**Change from Prior Day:**

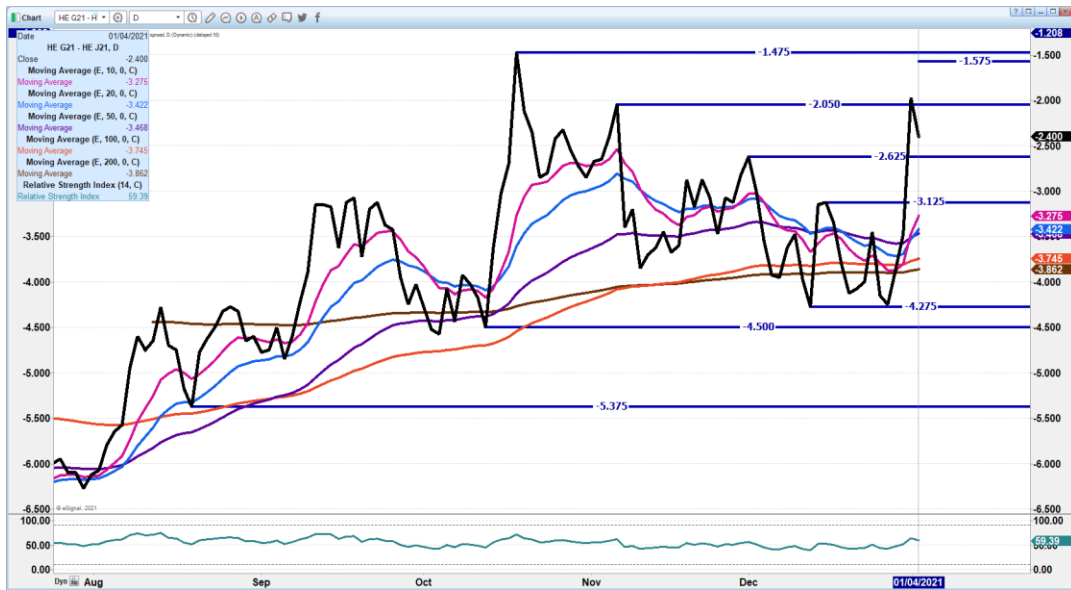
**HOGS SOLD 10,583**



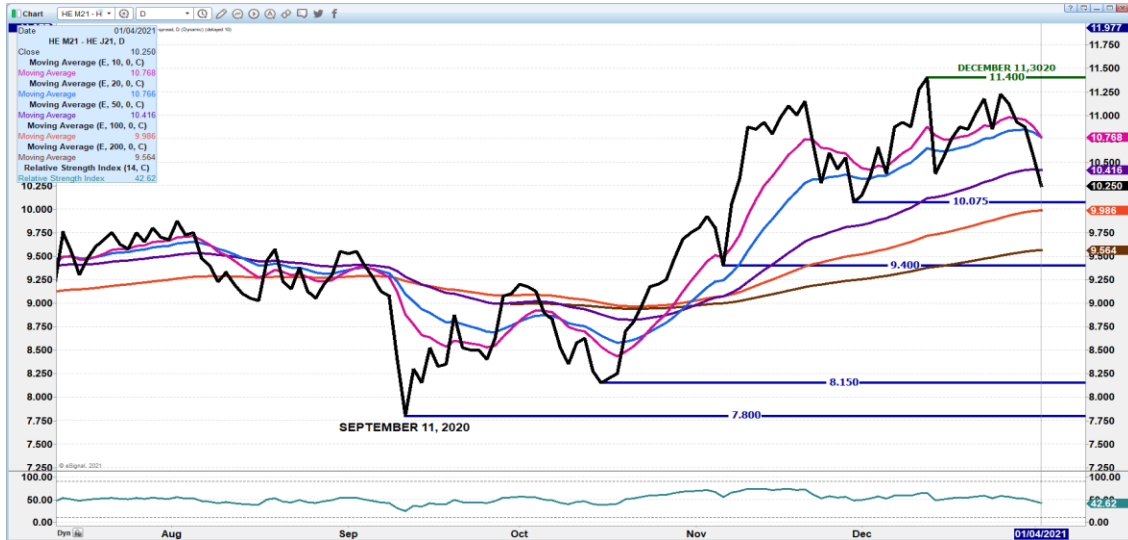
**SWINE OR PORK MARKET FORMULA PURCHASE (Including Packer Sold)**  
**PRICE RANGE: 69.02 - \$70.42**  
**Weighted Average: \$59.99**  
**Previous Day: \$59.51**  
**HOGS SOLD: 125,550**

[https://www.ams.usda.gov/mnreports/lm\\_hq203.txt](https://www.ams.usda.gov/mnreports/lm_hq203.txt)

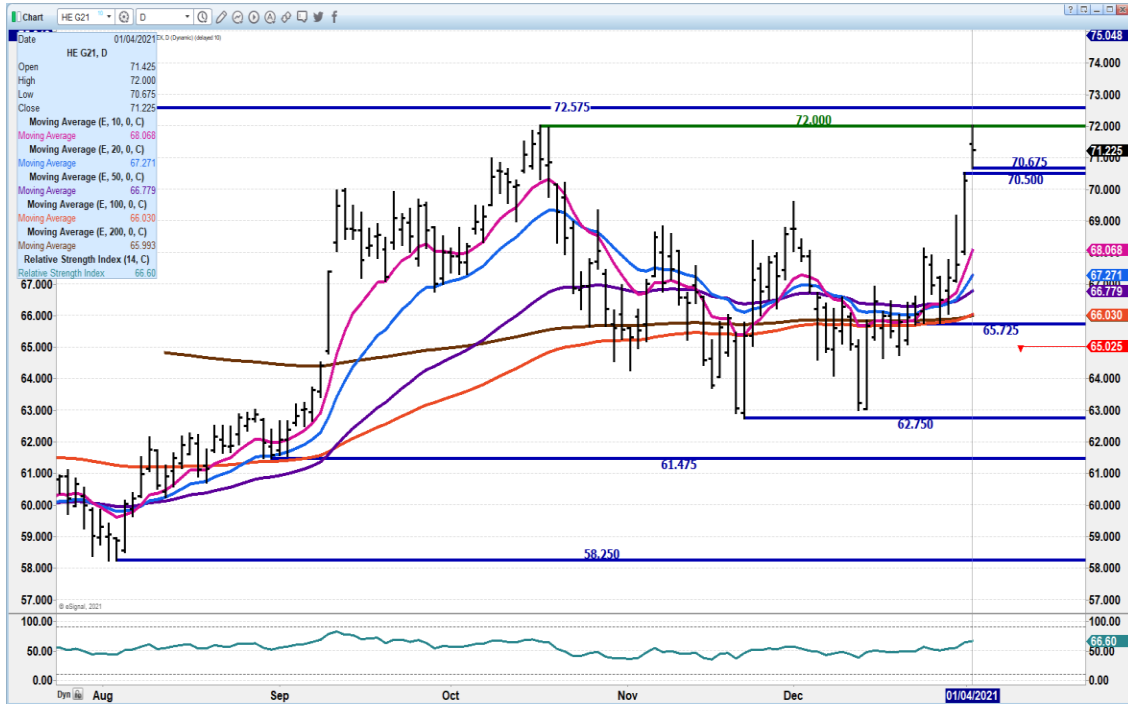
**FEBRUARY/APRIL 2021 LEAN HOG SPREAD – SPEC TRADERS REVERSED  
 NARROWING IS FRIENDLY BUT LIKELY MNDAY JUST A PURE SPEC MOVE.**



**JUNE/APRIL LEAN HOG SPREAD – STILL WIDE BUT IF CONTINUES TO NARROW IT IS  
 BEARISH AND WITH INCREASING CHINESE HEARD, LIKELY TO NARROW**



**FEBRUARY 2021 LEAN HOGS – MOVED TO RESISTANCE AND LAST HIGH AT BACK AT OCT 6. RESISTANCE IS 72.00 TO 72.57 SUPPORT AT 70.50 TO 68.07**

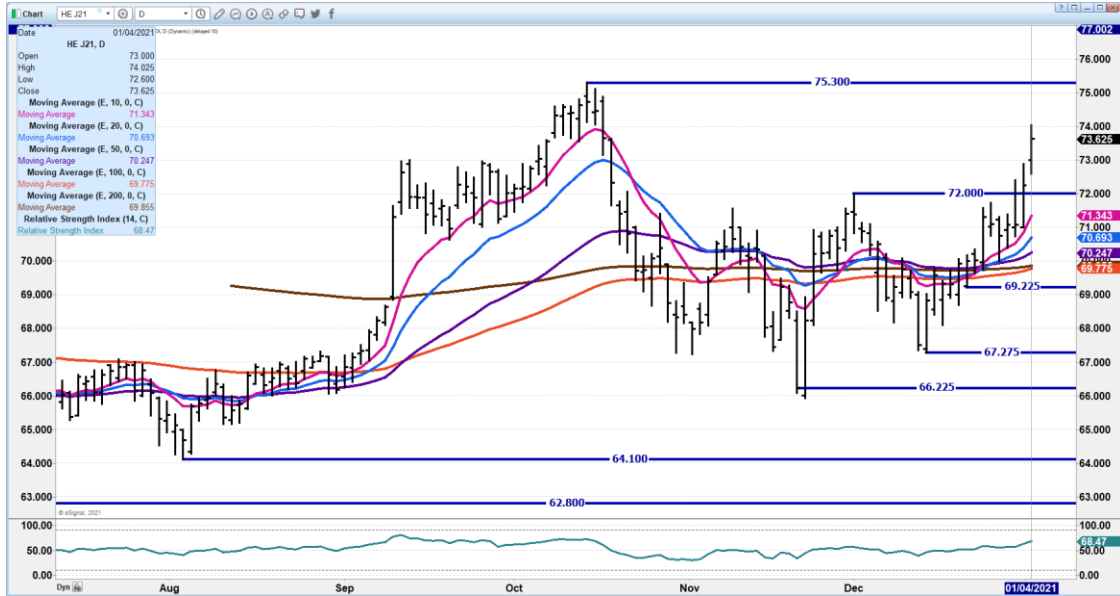


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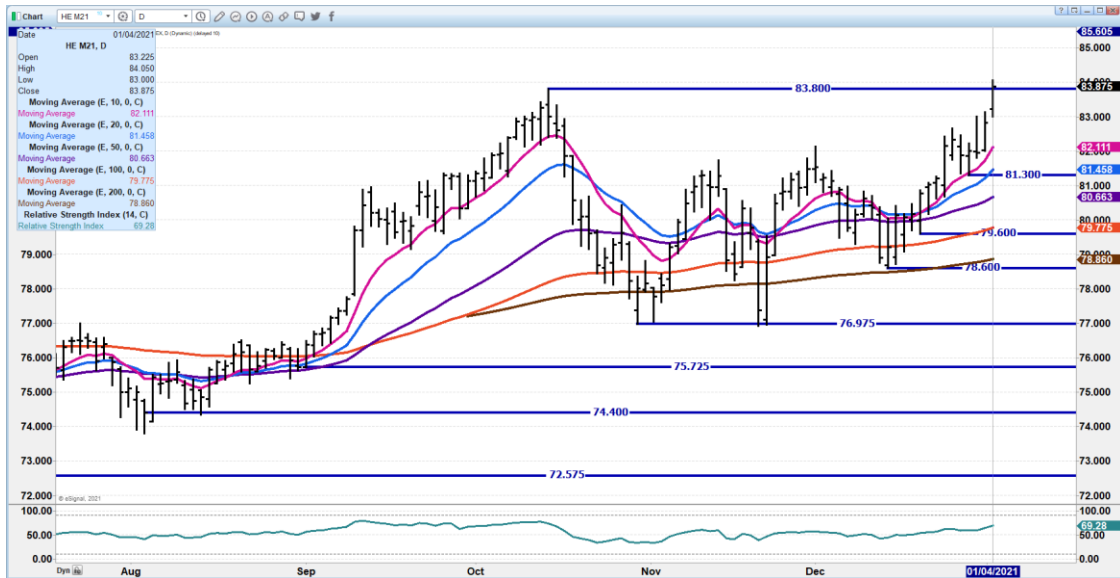
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**APRIL 2021 LEAN HOGS – RESISTANCE IS 75.30 SUPPORT AT 72.00, THE FEBRUARY HIGH ON MONDAY TO 71.37**



**JUNE 2021 LEAN HOGS – RESISTANCE AT 83.37 TO 84.00 SUPPORT AT 82.10 TO 81.45**





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**LIVE CATTLE - \$4.00**  
**FEEDER CATTLE - \$5.00**  
**LEAN HOGS - \$3.00**

***CHARTS FROM ESIGNAL INTERACTIVE, INC.***

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