



THURSDAY MORNING JANUARY 28, 2021 LIVESTOCK REPORT

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CATTLE

USDA FEDERAL CATTLE SLAUGHTER

JANUARY 27 , 2021	119,000
WEEK AGO	120,000
YEAR AGO	124,000
WEEK TO DATE (EST)	351,000
SAME PERIOD LAST WEEK (EST)	349,000
SAME PERIOD LAST YEAR (ACT)	364,000

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	CHOICE	SELECT
BOXED BEEF FINAL	229.66	218.99
CHANGE FROM PRIOR DAY	0.60	1.66
CHOICE/SELECT SPREAD:		10.67
TOTAL LOAD COUNT		121
5 DAY SIMPLE AVERAGE:	223.74	212.89
CLOSE ON JANUARY 22, 2021	222.82	213.34

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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 27, 2021

Primal Rib	364.24	333.08
Primal Chuck	199.85	199.16
Primal Round	191.95	193.24
Primal Loin	303.81	270.65
Primal Brisket	170.17	166.87
Primal Short Plate	133.98	133.98
Primal Flank	106.80	107.05



FINAL JANUARY 26, 2021

Primal Rib	359.22	331.63
Primal Chuck	201.37	196.78
Primal Round	191.51	193.22
Primal Loin	303.12	267.89
Primal Brisket	169.70	165.45
Primal Short Plate	131.67	131.67
Primal Flank	105.33	107.95

LOAD COUNT AND CUTOFF VALUE SUMMARY

Date	Choice	Select	Trim	Grinds	Total	CHOICE 600-900	SELECT 600-900
01/26	76	21	13	21	131	229.06	217.33
01/25	54	18	8	12	91	226.73	216.21
01/22	82	22	22	17	143	222.82	213.34
01/21	81	17	7	23	127	221.20	210.28
01/20	83	17	20	15	136	218.91	207.28

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	71.56 loads	2,862,434 pounds
Select Cuts	11.76 loads	470,409 pounds
Trimming	15.99 loads	639,784 pounds
Ground Beef	21.32 loads	852,681 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)

BEEF AND PORK EXPORTS AT BOTTOM OF REPORT

USDA LIVESTOCK REPORTS FOR JANUARY 2021

SEMI ANNUAL CATTLE REPORT – FRIDAY, JANUARY 29, 2021 – 2:00PM CENTRAL TIME



USDA POSTED CATTLE PRICES ON 01/27/2021

IA/MN – CASH – MIXED STEER/HEIFERS: 110.00 - 112.00 DRESSED 173.00 - 174.00

NE - CASH – No Reportable Trade DRESSED No Reportable Trade

KS – CASH No Reportable Trade DRESSED No Reportable Trade

TX/OK/NM – 112.75 - 113.00. MIXED LOADS AND MIXED CHOICE/SELECT

CO – No Reportable Trade

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*****National Daily Direct Cattle 01/27/2021**
5 day accumulated weighted avg)

	Weight	Price	Head
Live Steer:	1485	\$109.23	28,803
Live Heifer:	1336	\$109.73	19,413
Dressed Steer:	968	\$172.59	16,561
Dressed Heifer:	885	\$172.47	5,430

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Beef Exports were pretty good with Japan, China and South Korea buyers.

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Packer don't seem like they are going to knock down doors trying to buy cattle this week. The South and Southwest feedlots are current versus the North and Midwest that can't seem to clean up heavy cattle and it isn't the feedlots wanting to keep cattle. Showlists have become just a fraction of sales and packers take what they need from the showlist to fill out the kill. Packers are supporting beef prices by killing just what they want to kill.
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The Fed Cattle Exchange had 1570 cattle listed for the Wednesday Internet sale. 1,128 sold. One group sold for \$112.75 and the remainder at \$113.00. Cattle sold were from Texas and Oklahoma, steers and heifers.

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Last week US Federal slaughter was 657,000 head. A year ago Federal slaughter was 644,000 head. There were 13,000 head more in 2021 with an average carcass weighing 19 more pounds in 2021.

For fabricators that are grinding or trimming out cuts, it is more cost effective to trim out larger cuts than average to lighter cuts.

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Cargill plants scheduled shut downs

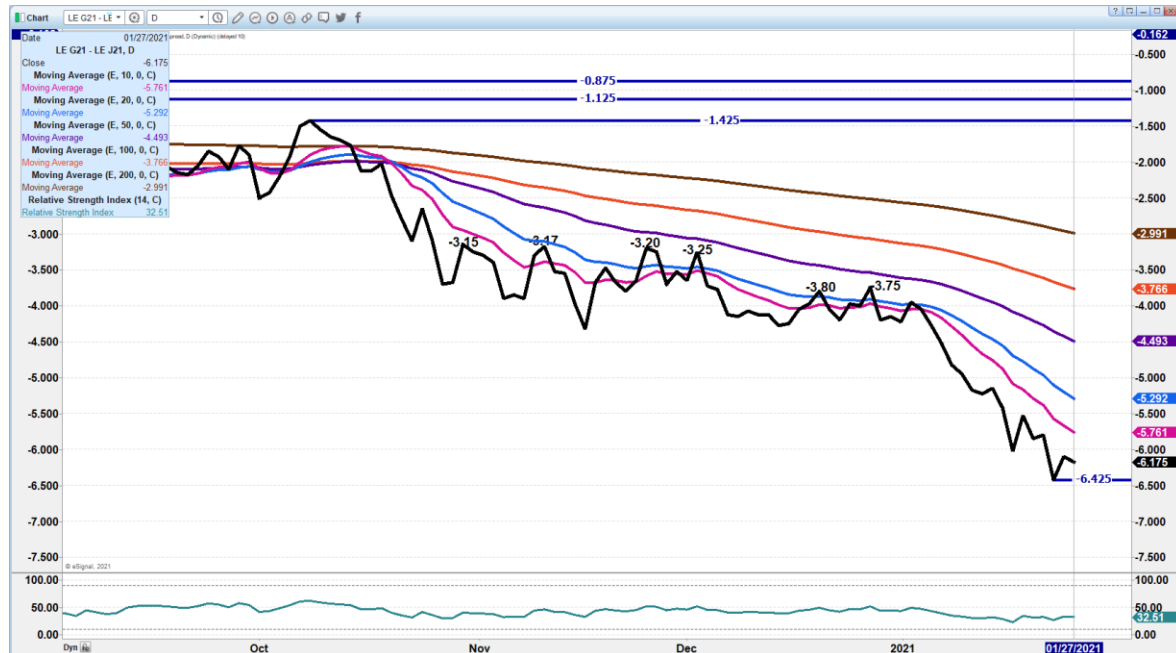
Cargill is shutting down a plant in Dodge City, KS week of February 8th and then another plant in Schuyler, NE dated for March 18. These are planned shut downs and they probably won't disrupt production since they are planned, and they will have plenty of time to move cattle to other plants. As you recall within a matter of days in August when Tyson had a fire, within a day cattle were shuffled to other plants. These are scheduled. However, traders may get all up and bothered by it and it could have negative effect to cattle prices and see beef move up.

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As of January 26, 2021, dressed steer and heifer weights were 897.9 compared to previous week at 889.0, down 1.1 pounds from week ago. However, it is 19 pounds over a year ago. Grading percent was 83.8% off .1 percent compared to previous week at 83.9%. Grading percent at 83.8% is an indication there are still too many cattle that are overweight.

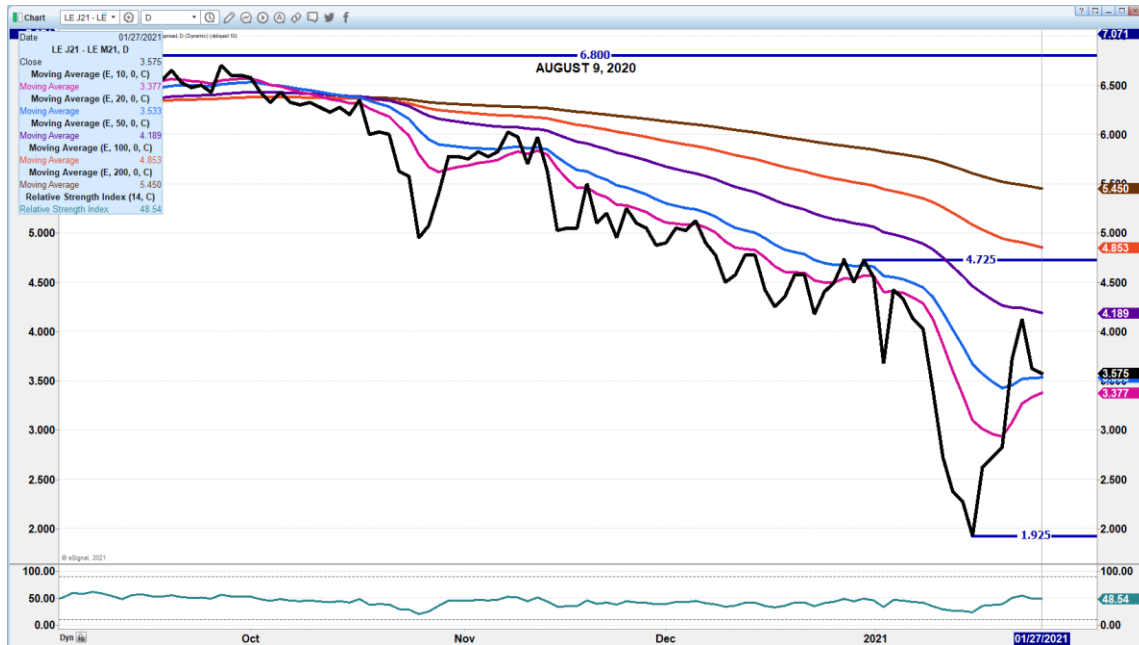
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FEBRUARY/APRIL LIVE CATTLE SPREAD - SPREAD STILL WIDENING

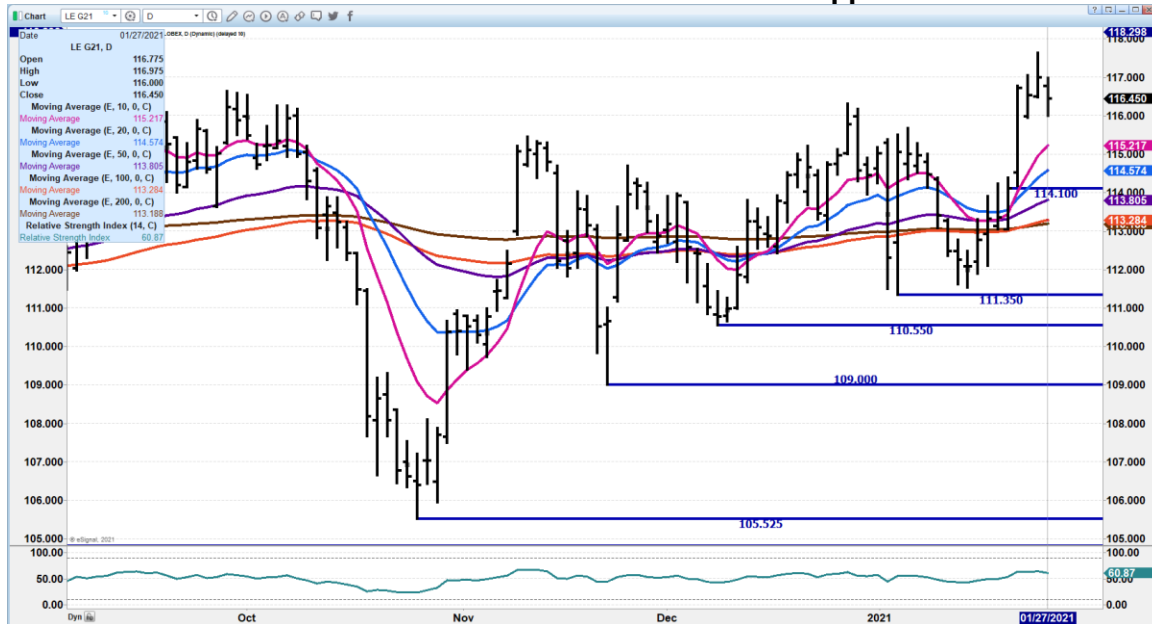




APRIL/JUNE 2021 LIVE CATTLE SPREAD – SPREAD WIDENING



FEBRUARY 2021 LIVE CATTLE – Resistance at 117.62 Support at 115..22 to 114.57

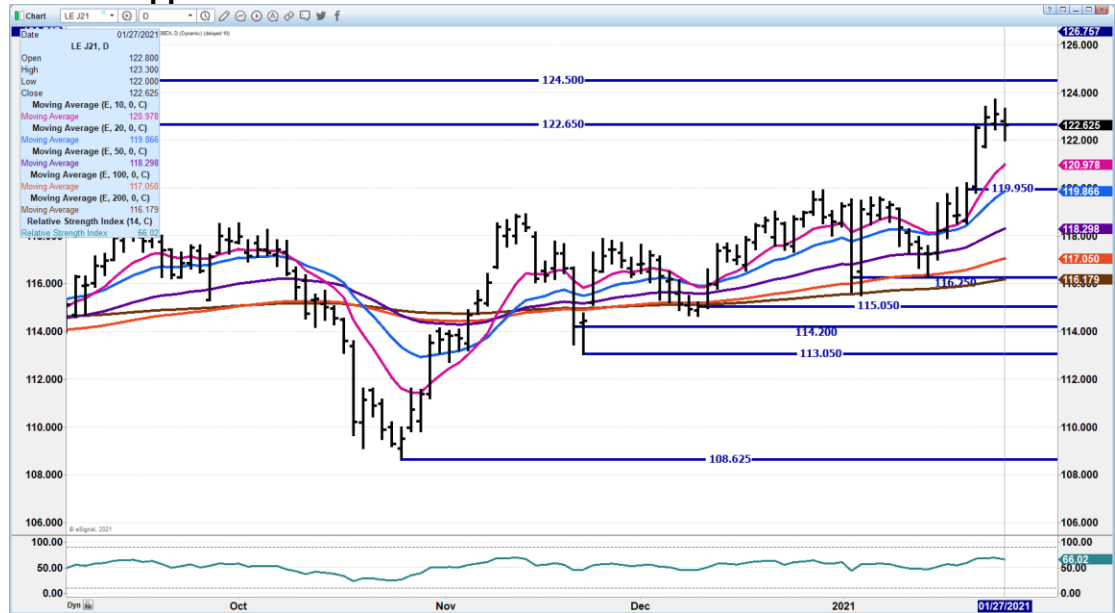


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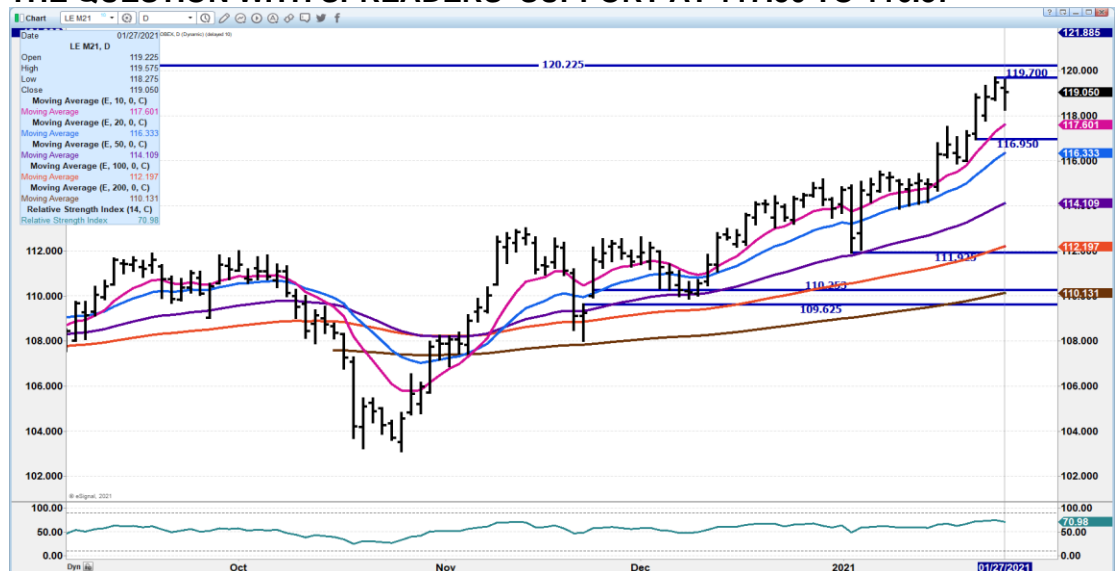
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APRIL 2021 LIVE CATTLE - volume 17948 much less than it has been Resistance at 123.70 support at 120.87 to 119.87



JUNE 2021 LIVE CATTLE - HAS TO BREAK ABOVE 119.70 BUT 120.25 NOT OUT OF THE QUESTION WITH SPREADERS SUPPORT AT 117.50 TO 116.37





Feeder Cattle

THE CME FEEDER INDEX ON 01/26/2020 WAS 134.83 DOWN 16 CENTS FROM PREVIOUS DAY

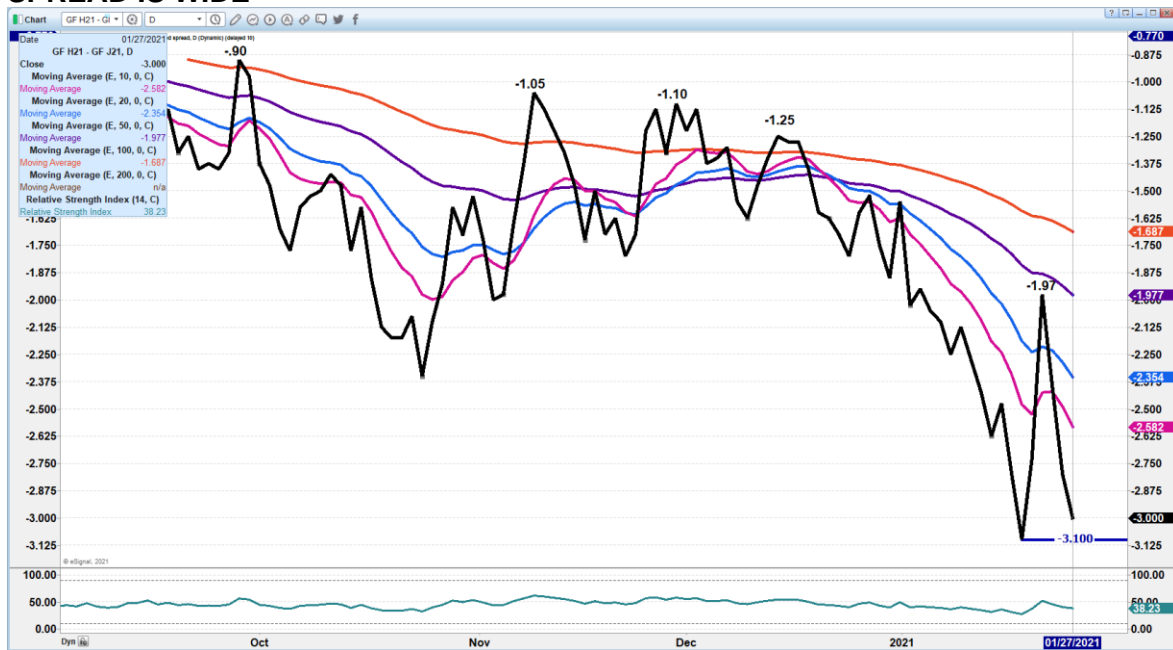
JANUARY 2021 FEEDER CATTLE FUTURES SETTLED ON JANUARY 27, 2021 AT \$135.62

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PACKER AND CONTRACT FEEDLOTS HAVE ADEQUATE SUPPLIES AND THERE IS LESS DEMAND IN THE MIDWEST FROM THE GRAIN/CATTLE PRODUCERS.

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SPREAD IS WIDE

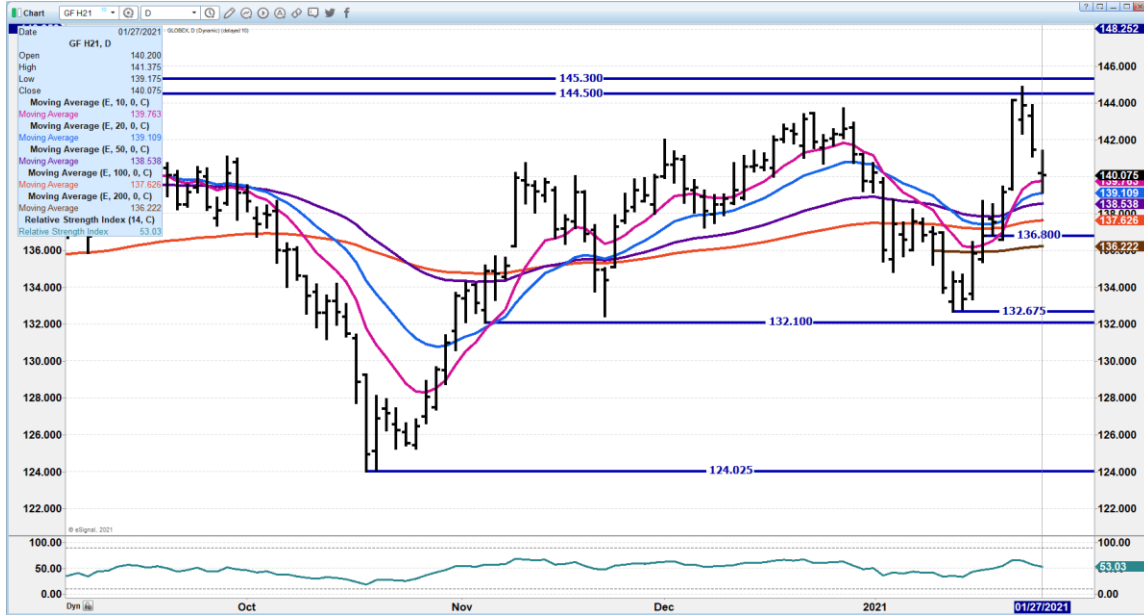




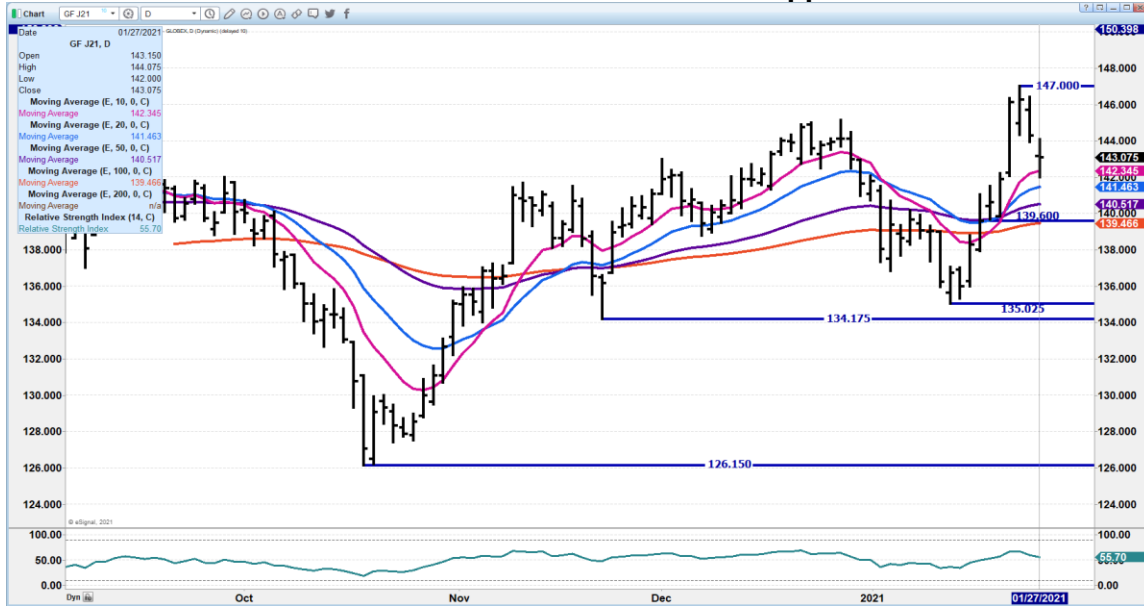
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MARCH 2021 FEEDER CATTLE – SUPPORT 139.10 TO 136.80 RESISTANCE AT 144.50



APRIL 2021 FEEDER CATTLE – resistance at 147.00 support at 142.37 to 139.45



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LEAN HOGS

USDA ESTIMATED FEDERAL HOG SLAUGHTER

JANUARY 27, 2021	492,000
WEEK AGO	498,000
YEAR AGO	495,000
WEEK TO DATE (EST)	1,427,000
SAME PERIOD LAST WEEK (EST)	1,423,000
SAME PERIOD LAST YEAR (ACT)	1,487,000

****REVISED TUESDAY HOG SLAUGHTER..449,000*** PREVIOUS ESTIMATE 455,000**

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CME CASH HOG INDEX 01/25/2020 AT 66.23 UP 35 CENTS FROM PREVIOUS DAY

CME CASH PORK CUTOUT INDEX 01/26/2021 AT 81.10 UP 79 CENTS FROM PREVIOUS DAY

CME CASH FRESH BACON INDEX ON 01/22/2021 WAS 157.29 COMPARED TO 01/15/2021 WAS 164.94

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Exports good with Mexico, China and Canada all consistent buyers again. Cheap dollar encourages buyers.

If futures volume doesn't pick up in lean hogs, it is going to match feeder cattle volume. When the lead month, April, doesn't trade even 15,000 contracts and the following month around 5000 contracts, when putting together hedge strategies, you need to trade over the long term and seriously consider using spreads like the formula or algorithms do.

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Feb lean hogs are trading \$4.34 over the CME Lean hog Index.

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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 27, 2021

LOADS OF PORK CUTS: 260.77

LOADS TRIM/PROCESSED PORK: 50.21

FINAL

Date	Loads	Carcass	Loin	Butt	Pic	Rib	Ham	Belly
01/27/2021	310.98	81.11	75.93	71.29	52.37	155.57	71.76	123.15
Change		0.18	-4.02	-4.08	-0.19	3.16	7.93	-5.25
Five Day Average --		81.45	77.96	72.65	50.28	152.08	69.70	127.14

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NATIONAL DAILY DIRECT HOG PRIOR DAY REPORT - SLAUGHTERED SWINE

Slaughter Data for January 25, 2021

Average live weight - 286.60

Average carcass - 215.17

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DAILY DIRECT AFTERNOON HOG REPORT JANUARY 27, 2021

National Negotiated Carcass Price

Lowest price: 51.00

Highest price: 59.00

Weighted Average Price: 56.75

Head Count: 5,776

Other Market Formula (Carcass)

Lowest base price: 51.02

Highest base price: 84.90

Weighted Average Price: 73.14

Head Count: 65,948

Swine/Pork Market Formula (Carcass)

Lowest base price: 52.00

Highest base price: 77.04

Weighted Average Price: 66.19

Head Count: 164,536

Other Purchase Arrangement (Carcass)

Lowest base price: 56.33

Highest base price: 96.72

Weighted Average Price: 69.94

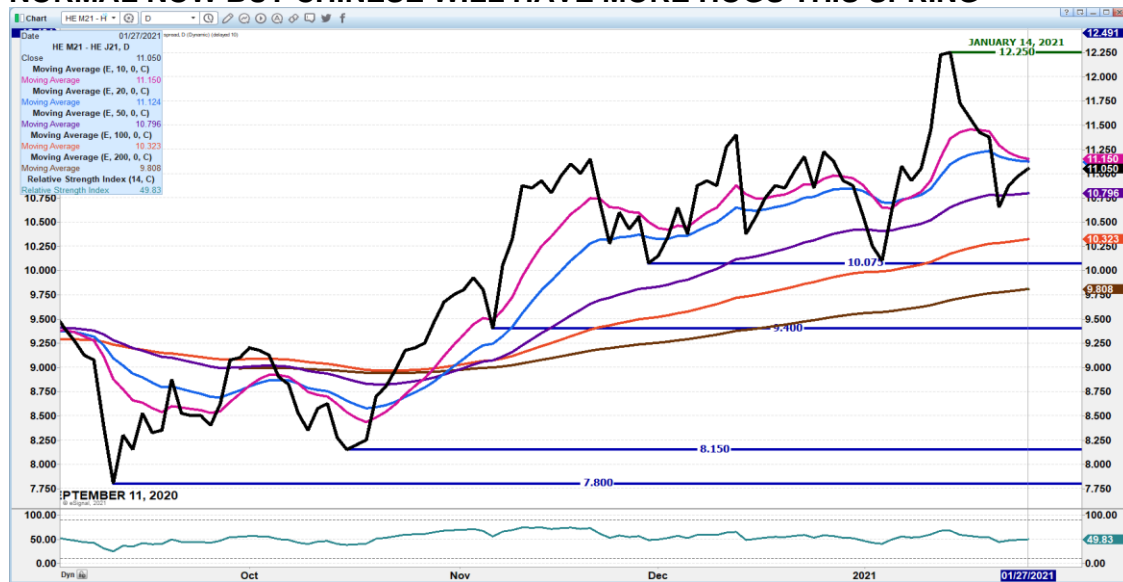
Head Count: 52,377



FEB/APRIL 2021 LEAN HOG SPREAD - Feb should begin to move to cash and narrow



JUNE/APRIL LEAN HOG SPREAD – COULD BE A HEAD AND SHOULDERS. SPREAD IS NORMAL NOW BUT CHINESE WILL HAVE MORE HOGS THIS SPRING

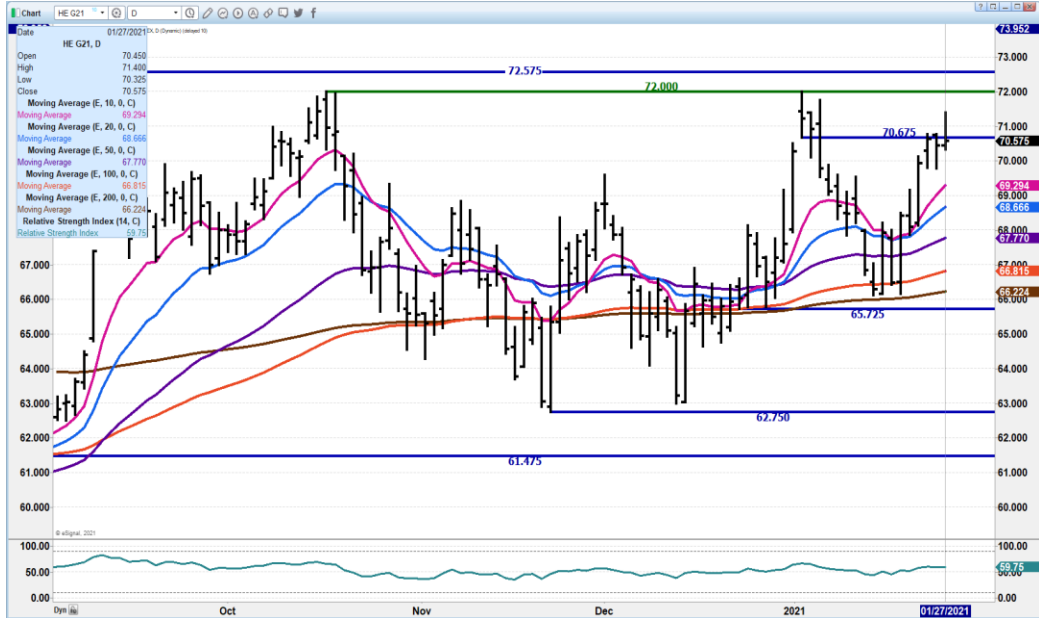


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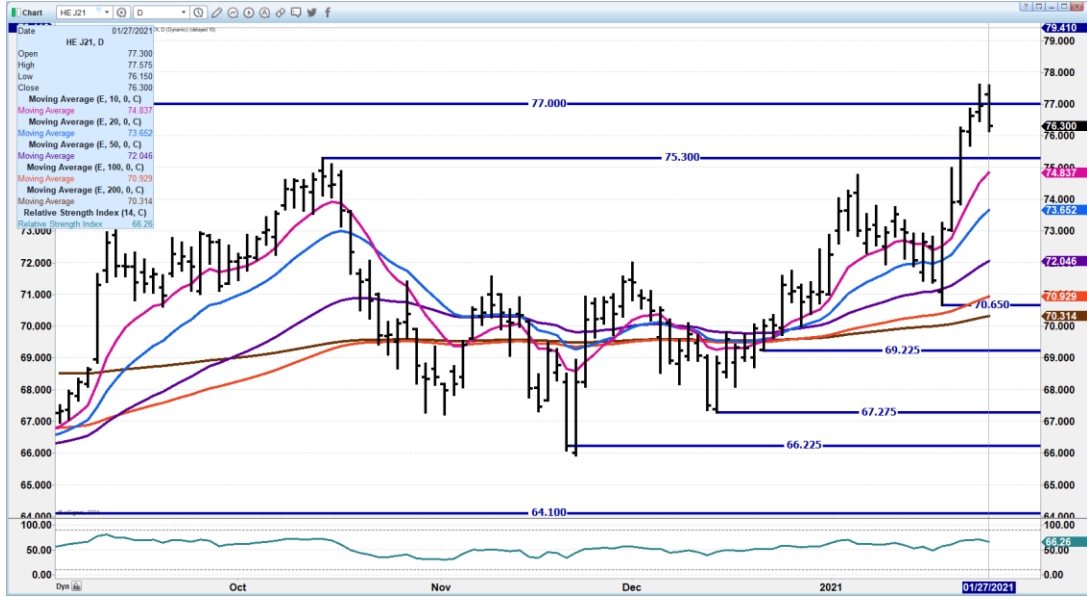
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FEBRUARY 2021 LEAN HOGS – RESISTANCE AT 72.00 SUPPORT AT 69.30



APRIL 2021 LEAN HOGS – COULD BE DOUBLE TOP AT 77.57 TO 77.60 SUPPORT AT 74.80 TO 73.65

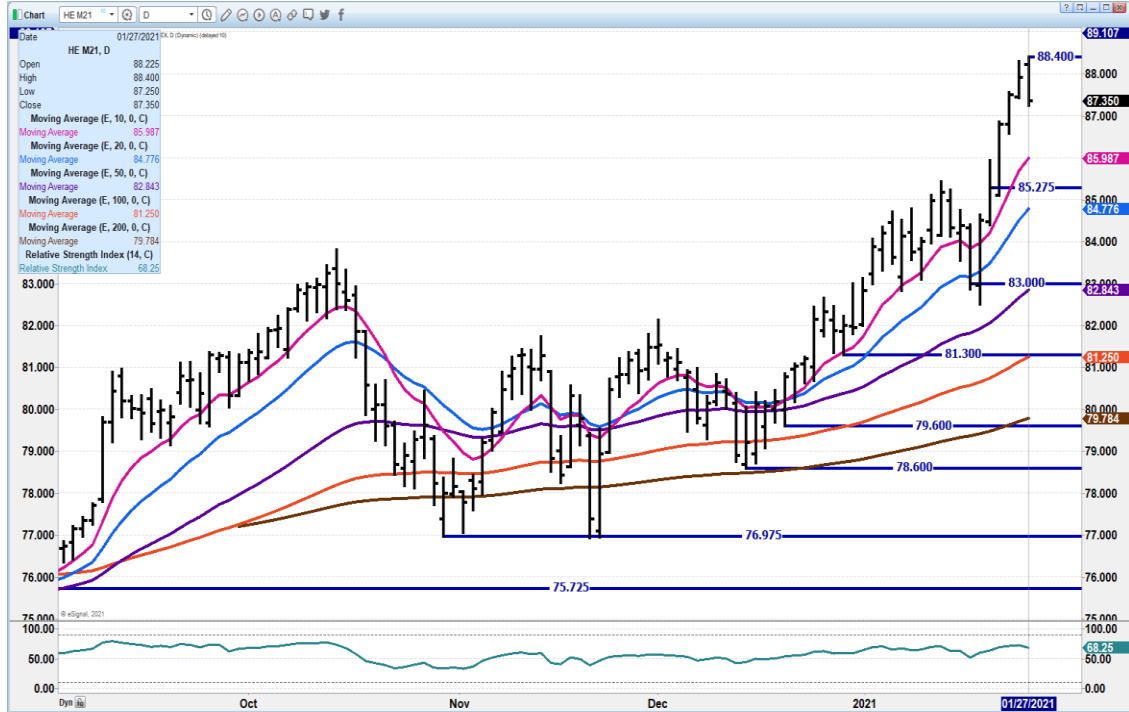


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JUNE 2021 LEAN HOGS – RESISTANCE AT 88.40 SUPPORT AT 85.97 TO 84.77



BEEF: NET SALES OF 24,500 MT REPORTED FOR 2021, INCREASES WERE PRIMARILY FOR JAPAN (4,900 MT, INCLUDING DECREASES OF 500 MT), CHINA (4,300 MT, INCLUDING DECREASES OF 100 MT), SOUTH KOREA (3,500 MT, INCLUDING DECREASES OF 600 MT), TAIWAN (2,400 MT, INCLUDING DECREASES OF 100 MT), AND INDONESIA (2,000 MT). EXPORTS OF 17,600 MT WERE PRIMARILY TO JAPAN (5,500 MT), SOUTH KOREA (5,100 MT), MEXICO (1,900 MT), CHINA (1,200 MT), AND CANADA (1,000 MT).

PORK: NET SALES OF 45,200 MT REPORTED FOR 2021, INCREASES PRIMARILY FOR MEXICO (13,200 MT, INCLUDING DECREASES OF 800 MT), CHINA (9,700 MT, INCLUDING DECREASES OF 1,100 MT), CANADA (5,000 MT, INCLUDING DECREASES OF 400 MT), THE PHILIPPINES (4,500 MT, INCLUDING DECREASES OF 800 MT), AND JAPAN (4,200 MT, INCLUDING DECREASES OF 100 MT), WERE OFFSET BY REDUCTIONS PRIMARILY



FOR EL SALVADOR (100 MT) AND AUSTRALIA (100 MT). EXPORTS OF 40,800 MT WERE PRIMARILY TO MEXICO (13,300 MT), CHINA (10,600 MT), JAPAN (5,000 MT), SOUTH KOREA (3,900 MT), AND CANADA (1,900 MT).

CHARTS FROM ESIGNAL INTERACTIVE, INC.

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