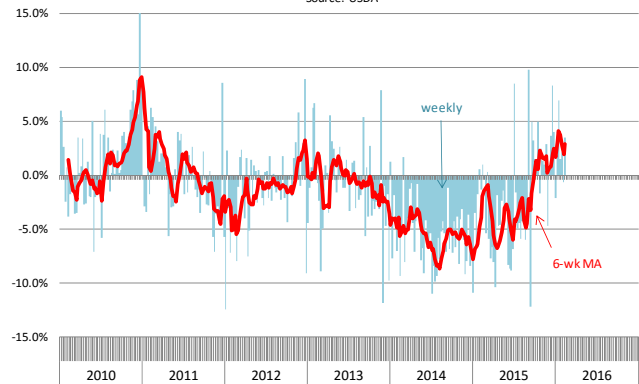


CME futures are not trading today in observance of President's Day Holiday. Markets will resume trading tomorrow on their regular schedule at 905CT.

**Combined beef, pork and poultry production has been running above year ago levels for much of the year and last week was no different.** The table on page 2 provides estimated production for the week ending February 13 for beef and pork. USDA reports the weekly production numbers for chicken and turkey with a one week lag so the total supply number at the top of the table is not precisely the total volume of red meat and poultry for the week. But we can make some reasonable estimates that can get us close. Total beef and pork production for the week was 452 million pounds and 487.1 million pounds, respectively. This was reported by USDA in their weekly supply recap and, as you can also see on page 2, implies that **beef supplies were up 3.5% from a year ago while pork supplies were up 1.7%.** The net increase in red meat output was 23.4 million pounds (carcass wt. basis). The table on page 2 shows that broiler slaughter for week ending February 6 was 158.426 million head. But USDA also tells us (in a difference report) that broiler slaughter for week ending 2/13 is estimated at 161.767 million, up 3.2% from the same week a year ago. We do not know broiler weights for last week but for the last four weeks broiler live weights have averaged about 6.18 pounds per bird. Using the USDA dressing percentage of 76% we can calculate broiler production (ready to cook basis) at 759.942 million pounds (notice how much bigger than either beef or pork). The combination of heavier broiler weights and larger slaughter means that broiler production last week was (roughly) 5.7% higher than the same week a year ago. For the last six reported week, broiler production is 2.5% higher than a year ago. The increase in broiler supplies adds another 41.3 million pounds to the net increase in meat supplies from a year ago. Turkey production is a relatively small part of overall red meat and poultry production. For week ending February 6 total turkey production was 102.7 million pounds and we estimate production for week ending February 13 at 103.4 million, which adds less than half a million pounds to the overall year/year increase in meat supplies. Putting this all together would imply that **for the week red meat and poultry production was 1.802 billion pounds, 3.8% higher than the same week last year.** In the last six weeks, however, meat supplies have average 2.2% above year ago levels. While meat supplies are increasing, the rate of the increase has been slower than the same period last year. Looking back at February 2015, combined red meat and poultry supplies were increasing at well over 4% y/y. In the short term, the increase in meat supplies will continue to cap price inflation in the meat complex. This is particularly the case in the short term as foodservice demand tends to be seasonally weak and the start of Lent limits retail features. But the slower growth in supplies, stronger exports and still robust consumer demand could set the stage for a more robust meat market in Q2.

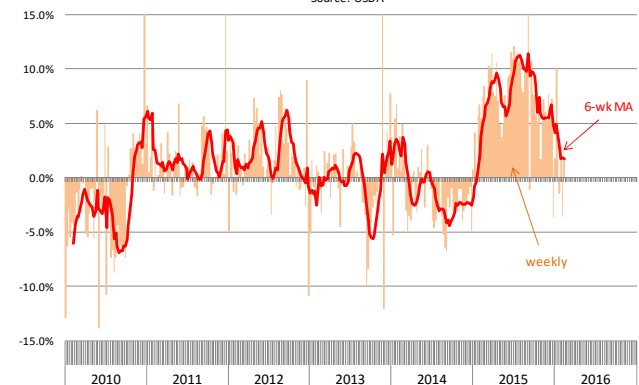
Year/Year % Change in Beef Production

Source: USDA



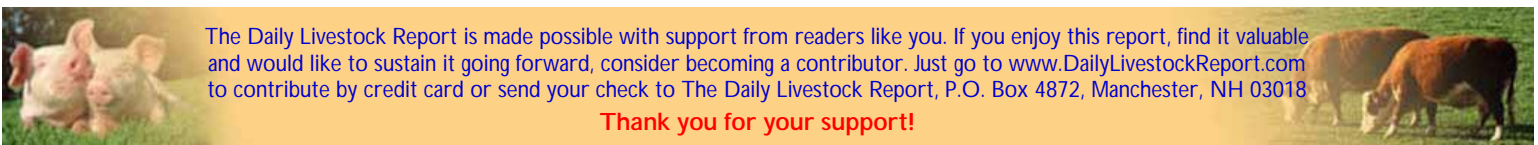
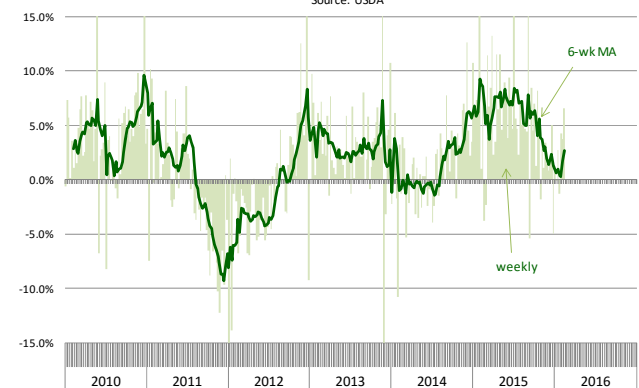
Year/Year % Change in Pork Production

Source: USDA



Year/Year % Change in Broiler Production

Source: USDA



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# Daily Livestock Report

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## PRODUCTION & WKLY AVG. PRICE SUMMARY

Week Ending **2/13/2016**

Source: Various USDA Agricultural Marketing Service reports. Some data are preliminary.

Item	Units	Current Week	Last Week	Pct. Change	Last Year	Pct. Change	YTD	Y/Y % Change
		13-Feb-16	6-Feb-16		14-Feb-15			
<b>Total Beef, Pork, Chicken, Turkey</b>	<b>mil lbs., cwe</b>	<b>1,792</b>	<b>1,791</b>	<b>0.04%</b>	<b>1,741</b>	<b>2.93%</b>	<b>10,126</b>	<b>0.3%</b>
<b>C</b> FI Slaughter	Thou. Head	544	534	1.87%	540	0.66%	3,397	-1.9%
<b>T</b> FI Cow Slaughter **	Thou. Head	113	110	2.88%	116	-2.09%	536	17.6%
<b>T</b> Avg. Dressed Weight	Lbs.	833	833	0.00%	818	1.83%	831	1.9%
<b>L</b> Beef Production	Million Lbs.	452.0	443.8	1.85%	436.6	3.53%	2,823	0.0%
<b>E</b> Live Fed Steer Price	\$ per cwt	131.70	134.46	-2.05%	161.78	-18.59%		
<b>E</b> Dressed Fed Steer Price	\$ per cwt	205.96	210.29	-2.06%	256.75	-19.78%		
<b>&amp;</b> Oklahoma Steer (600-700 lbs)	\$ per cwt	167.34	171.11	-2.21%	230.67	-27.46%		
<b>B</b> Choice Beef Cutout	\$ per cwt	217.63	221.84	-1.90%	238.69	-8.82%		
<b>E</b> Hide/Offal	\$ per cwt, live wt	10.43	10.40	0.29%	14.69	-29.00%		
<b>B</b> Rib Primal, Choice	\$ per cwt	331.77	326.48	1.62%	326.82	1.51%		
<b>E</b> Round Primal, Choice	\$ per cwt	209.45	211.85	-1.13%	222.56	-5.89%		
<b>E</b> Chuck Primal, Choice	\$ per cwt	182.55	193.57	-5.69%	204.18	-10.59%		
<b>F</b> Trimmings, 50%	\$ per cwt	51.31	50.44	1.72%	89.19	-42.47%		
<b>F</b> Trimmings, 90%	\$ per cwt	209.13	208.78	0.17%	294.05	-28.88%		
<b>H</b> FI Slaughter	Thou. Head	2,281	2,182	4.54%	2,226	2.45%	14,127	-0.4%
<b>H</b> FI Sow Slaughter **	Thou. Head	60.2	53.3	13.01%	54.7	9.97%	272	19.6%
<b>O</b> Avg. Dressed Weight	Lbs.	213.0	214.0	-0.47%	215.0	-0.93%	214	-0.7%
<b>O</b> Pork Production	Million Lbs.	487.1	467.5	4.19%	479.1	1.67%	3,022	-1.1%
<b>G</b> Iowa-S. Minn. Base	Wtd. Avg.	63.14	61.91	1.99%	58.56	7.82%		
<b>S</b> Natl. Base Carcass Price	Wtd. Avg.	64.10	63.09	1.60%	64.67	-0.88%		
<b>S</b> Natl. Net Carcass Price	Wtd. Avg.	66.25	65.17	1.66%	66.37	-0.18%		
<b>S</b> Pork Cutout	205 Lbs.	76.56	77.23	-0.87%	72.65	5.38%		
<b>S</b> Ham Primal	\$ per cwt	57.53	58.77	-2.11%	57.75	-0.38%		
<b>S</b> Loin Primal	\$ per cwt	81.09	82.44	-1.64%	84.38	-3.90%		
<b>S</b> Belly Primal	\$ per cwt	125.51	125.28	0.18%	86.15	45.69%		
<b>S</b> Trimmings, 72%, Fresh	\$ per cwt	60.49	59.53	1.61%	53.20	13.70%		
<b>S</b> Hog By-Product Value	\$ per cwt, live wt	3.14	3.11	0.96%	3.86	-18.65%		
<b>C</b> Young Chicken Slaughter *	Million Head	158.4	164.6	-3.75%	157.2	0.79%	795	0.2%
<b>H</b> Avg. Weight (RTC)	Lbs.	4.73	4.67	1.30%	4.60	2.98%	6.18	1.6%
<b>I</b> Young Chicken Production (RTC)	Million Lbs.	750.1	769.4	-2.50%	722.7	3.79%	3,737	1.9%
<b>C</b> Eggs Set (19-state)	Million	206.4	208.8	-1.16%	206.8	-0.22%	1,039	0.8%
<b>K</b> Chicks Placed (19-state)	Million Head	169.4	170.6	-0.68%	168.9	0.29%	850	0.4%
<b>N</b> National Composite Whole Bird	Composite	81.95	80.83	1.39%	90.08	-9.03%		
<b>N</b> Georgia Dock Broiler Price	2.5-3 Lbs.	112.14	111.5	0.57%	113.44	-1.15%		
<b>N</b> Northeast Breast, B/S	\$/cwt	109.5	111.53	-1.82%	140.84	-22.25%		
<b>N</b> Northeast Leg Quarters	\$/cwt	28.43	26.36	7.85%	37.18	-23.53%		
<b>T</b> Total Turkey Slaughter *	Million Head	4.069	4.296	-5.28%	4.074	-0.12%	21.170	-1.6%
<b>U</b> Avg. Weight (RTC)	Lbs.	25.24	25.74	-1.93%	25.15	0.39%	31.94	0.8%
<b>R</b> Turkey Production (RTC)	Million Lbs.	102.7	110.6	-7.11%	102.4	0.26%	544	-0.8%
<b>K</b> National Hen (8-12 lb)	8-16 Lbs.	110.06	113.18	-2.76%	100.47	9.55%		
<b>G</b> Corn, Omaha	\$ per Bushel	3.50	3.29	6.38%	3.68	-4.89%		
<b>R</b> Distillers Grain, Chicago	\$ per Ton	142.50	140.00	1.79%	195.00	-26.92%		
<b>A</b> Wheat, Kansas City (deliv.)	\$ per Bushel	4.26	4.36	-2.29%	5.63	-24.33%		
<b>I</b> Soybeans, Cntrl IL	\$ per Bushel	8.85	8.86	-0.11%	9.97	-11.23%		
<b>N</b> Soybn Meal 48%, Cntrl IL	\$ per Ton	272.70	276.60	-1.41%	362.00	-24.67%		

\* Chicken & turkey slaughter & production are 1 week earlier than the date at the top of this sheet.

\*\* Cow and sow slaughter reflect levels from two weeks ago due to reporting lag.

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