

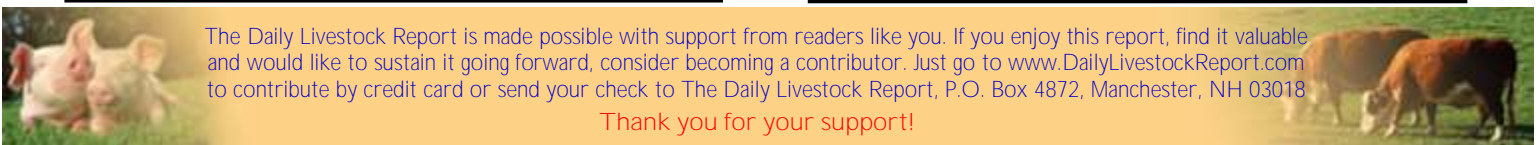
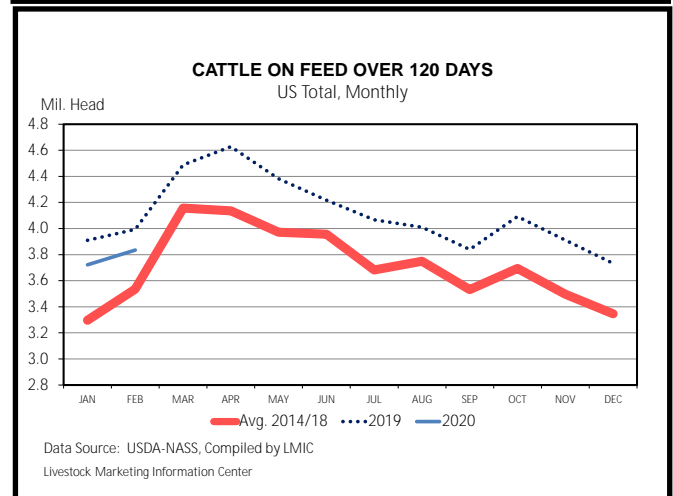
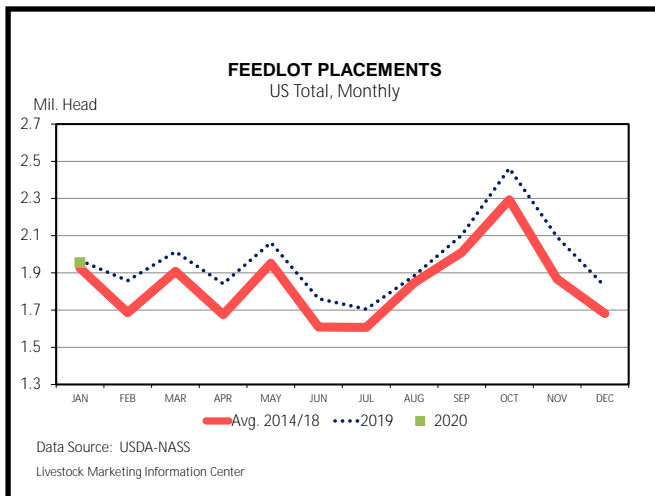
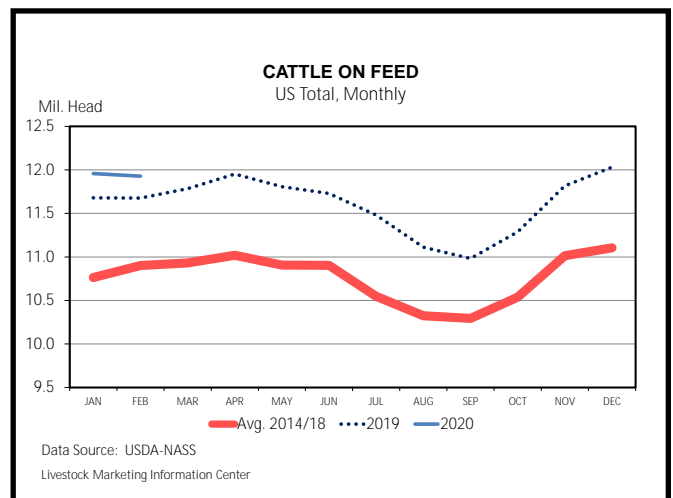
USDA’s National Agricultural Statistics Service (NASS) released the monthly U.S. Cattle on Feed report on Friday (the full report is [here](#)). Overall the report was in the range of the pre-report estimates (for details see last Thursday’s Daily Livestock Report). The on-feed count as of February 1 was up 2.2% year-over-year (slightly below the average of the pre-report estimates). Head marketed during January was 1.1% compared to a year earlier. The number of cattle placed into feedlots was in the lower end of the pre-report range (down 0.6%, while most analysts were up slightly year-over-year).

Pragmatically, the report was neutral compared to pre-report estimates. Price movements in Live Cattle futures contracts early this week won’t be attributable to the NASS report. Last week, all the 2020 Live Cattle Futures contracts declined each trading day (e.g., June went from a closing price on Tuesday of \$112.20 per cwt. to \$110.28 on Friday).

Looking at graphics of the report’s results provides a useful reminder of the feedlot conditions faced a year ago, especially in Nebraska, Kansas, and Iowa. Last year’s winter conditions and very muddy feedlots depressed animal performance beginning in the fall of 2019 and continued into the spring of 2019. Those conditions lengthened days on feed required for animals to reach harvest weight. The graphic we refer to is the number of cattle on-feed for over 120 days, which shows a year-over-year decline, even though the total count as of February 1 was above 2019’s.

On the second page of this newsletter is production and price summary of weekly data published by USDA’s Agricultural

Marketing Service (Market News Division), note that the data are preliminary. In the cattle complex, we point out that week-over-week, the live fed steer price (5-market average) was slightly higher (up 0.7%), but was down significantly year-over-year (lower by 5.2%). At Oklahoma City, the feeder steer price (600– to 700-pounds) came in at \$156.17 per cwt., which was an increase both week-over-week (up 4.2%) and year-over-year (rising 2.2%). The weekly average Choice beef cutout (wholesale carcass equivalent) value slipped for the week by 0.4%. That value compared to a year ago was down by 5.5%. The cutout should begin its normal spring rally soon, maybe even this week.



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## PRODUCTION & PRICE SUMMARY

Week Ending 2/22/2020

Source: Various USDA Agricultural Marketing Service (Market News) reports. DATA ARE PRELIMINARY.

Item	Units	Current Week	Last Week	Pct. Change	Last Year	Pct. Change	YTD	Y/Y % Change
		22-Feb-20	15-Feb-20		23-Feb-19			
Beef, Pork, Chicken, & Turkey	Mil Lbs., cwe	1,992	1,990	0.1%	1,860	7.1%	14,578	4.7%
C FI Slaughter	Thou. Head	628	620	1.3%	581	8.0%	4,766	0.7%
A FI Cow Slaughter **	Thou. Head	131	131	0.0%	130	0.7%	781	7.1%
T Avg. Dressed Weight	Lbs.	828	827	0.1%	809	2.3%	826	1.3%
T Beef Production	Million Lbs.	518.7	511.5	1.4%	469.3	10.5%	3,935	2.0%
L Live Fed Steer Price, 5-Mkt	\$ per cwt	119.77	118.90	0.7%	126.36	-5.2%		
E Dressed Steer Price, 5-Mkt	\$ per cwt	190.71	190.27	0.2%	201.97	-5.6%		
Oklahoma Steer (600-700 lbs)	\$ per cwt	156.17	149.80	4.2%	152.73	2.2%		
& Choice Beef Cutout	\$ per cwt	205.71	207.52	-0.9%	217.72	-5.5%		
Hide/Offal	\$ per cwt, live wt	9.07	9.07	0.0%	9.06	0.1%		
B Rib, Primal, Choice	\$ per cwt	323.07	329.60	-2.0%	361.30	-10.6%		
E Round, Primal, Choice	\$ per cwt	177.87	180.14	-1.3%	176.96	0.5%		
E Chuck, Primal, Choice	\$ per cwt	167.59	167.76	-0.1%	171.49	-2.3%		
F Trimmings, 50%, Fresh	\$ per cwt	59.85	57.98	3.2%	69.29	-13.6%		
Trimmings, 90%, Fresh	\$ per cwt	231.76	237.10	-2.3%	211.67	9.5%		
H FI Slaughter	Thou. Head	2,622	2,596	1.0%	2,487	5.4%	19,883	3.3%
H FI Sow Slaughter **	Thou. Head	63.8	62.3	2.3%	57.6	10.7%	367	8.7%
O Avg. Dressed Weight	Lbs.	216.0	216.0	0.0%	215.0	0.5%	216	0.5%
G Pork Production	Million Lbs.	565.5	560.2	0.9%	533.8	5.9%	4,294	3.8%
S Natl. Negotiated Purchase	Wtd. Avg.	49.74	49.06	1.4%	47.49	4.7%		
Natl. Base Carcass Price	Wtd. Avg.	58.80	57.40	2.4%	55.63	5.7%		
& Natl. Net Carcass Price	Wtd. Avg.	60.76	59.57	2.0%	57.45	5.8%		
Natl. Early Wean Feeder	10-12 Lbs.	41.71	44.89	-7.1%	48.91	-14.7%		
P Pork Cutout	\$ per cwt	64.26	63.70	0.9%	60.38	6.4%		
O By-product Value	\$ per cwt, live wt	3.66	3.64	0.5%	3.29	11.2%		
R Ham, Primal	\$ per cwt	58.54	54.71	7.0%	42.55	37.6%		
K Loin, Primal	\$ per cwt	65.47	65.37	0.1%	61.26	6.9%		
Belly, Primal	\$ per cwt	71.11	73.60	-3.4%	98.48	-27.8%		
Trimmings, 72%, Fresh	\$ per cwt	49.77	53.87	-7.6%	43.64	14.0%		
C Young Chicken Slaughter *	Million Head	171.0	171.3	-0.2%	161.57	5.8%	1,174	5.2%
H Avg. Weight (RTC)	Lbs.	4.71	4.73	-0.5%	4.63	1.8%	4.77	2.4%
I Young Chicken Production (RTC)	Million Lbs.	805.6	811.0	-0.7%	747.8	7.7%	5,602	7.7%
C Eggs Set (US)	Million	237.7	239.2	-0.6%	230.4	3.1%	1,669	4.2%
K Chicks Placed (US)	Million Head	192.2	190.5	0.9%	183.6	4.7%	1,335	4.1%
E National Composite Whole Bird	Composite	78.39	81.62	-4.0%	89.16	-12.1%		
N Northeast Breast, B/S	\$ per cwt	88.49	88.84	-0.4%	108.02	-18.1%		
Northeast Leg Quarters	\$ per cwt	36.04	40.1	-10.1%	31.26	15.3%		
T Total Turkey Slaughter *	Million Head	3.88	4.03	-3.7%	4.12	-6.0%	27.7	2.4%
U Avg. Weight (RTC)	Lbs.	26.37	26.71	-1.3%	26.52	-0.5%	27.04	0.5%
R Turkey Production (RTC)	Million Lbs.	102.3	107.6	-4.9%	109.3	-6.5%	748	2.9%
K National Hen (8-12 Lbs)	\$ per cwt	97.96	98.00	0.0%	84.54	15.9%		
G Corn, Omaha	\$ per Bushel	3.78	3.81	-0.7%	3.70	2.2%		
R Distillers Grain, IA	\$ per Ton	144.00	145.50	-1.0%	147.50	-2.4%		
A Soybean, Cntrl IL	\$ per Bushel	9.05	9.05	0.1%	8.84	2.4%		
I Soybn Meal 48%, Cntrl IL	\$ per Ton	299.80	292.90	2.4%	306.40	-2.2%		
N								

\* 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 (part of 'actual' rather than "preliminary" weekly slaughter report).

