

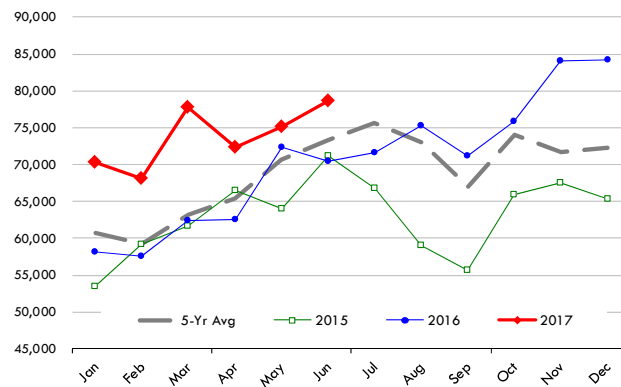
**US meat exports were higher in June but the trends were more positive for beef than for pork and chicken. Below are key highlights and implications for July and August:**

**Beef:** Sharply higher US beef prices in May and June have done little so far to slow down the pace of US exports. **Total shipments of fresh/frozen and cooked beef for the month were 78,708 MT, 11.7% higher than a year ago.** The gains in exports were broad based. Exports to Japan, the largest market so far this year, were 22,794 MT, 12% higher than a year ago. Higher tariffs for US beef have the potential to nick demand for US beef in this market in the coming month but that is not entirely a given. Fed cattle prices are lower than in Q2 and a weaker US dollar has the potential to offset the impact from higher tariffs. Exports Mexico in June were 10,898 MT, 16% higher than last year while exports to S. Korea at 13,813 MT were up 13% from a year ago. The value of US beef exports in June was up by a similar amount. At \$521.6 million, US beef export value is up some \$54.5 million higher than a year ago. US beef exports are up almost half a billion dollars in beef export value so far this year, a factor that needs to be considered when we look at US cattle prices vs. last year. And to complete the picture, one also should consider the additional \$10 million derived from higher beef variety meat exports in the first half of this year. Based on weekly export data, we are currently projecting beef exports to be up around 6% in July. If the current pace of shipments is sustained, then August beef exports have the potential to be up around 10% compared to last year. Beef export demand remains in excellent shape but there is always the risk that we could lose ground in Japan to competitors. The benefit for US beef at this point is that Australia supply availability is significantly lower than a couple of years ago and Japan still does not source beef from South American sources. The recovery in exports to Mexico is a major positive development.

**Pork:** Total **shipments of fresh/frozen and cooked pork in June were 152,071 MT, 4,405 MT (+3%) higher than a year ago.** Pork exports averaged 13% above year ago in the first five months of the year and June shipments were the second smallest this year, behind February. The decline is not unusual as lower slaughter in late spring and summer tends to limit product availability. The positive in the latest data is that exports to a number of key markets in the Americas but also Asia remain quite robust. **The main challenge for US pork exports at this time is China.** Pork prices in China have declined and domestic commercial Chinese packers have been rapidly expanding production. While much of the focus in recent years has been on the size of the Chinese breeding herd (it continues to shrink) we would argue that this may not be the best indicator of Chinese supplies. More stringent environmental measures have accelerated the shift to commercial production, leading to increased efficiencies. **US exports of fresh/frozen and cooked pork to China were 12,611 MT, 8,295 MT (-39.7%) less than a year ago.** Mexico has become by far the largest buyer of US pork and that was the case again in June. Total exports to Mexico in June were 51,764 MT (+18.3%) higher than a year ago. By comparison export to Japan, the second largest market for US pork, were under 30,000 MT. However, even though Japan purchased 43% less pork from the US in June, the value of US pork exports to Japan was \$121.8 million compared to \$103.9 million for Mexico.

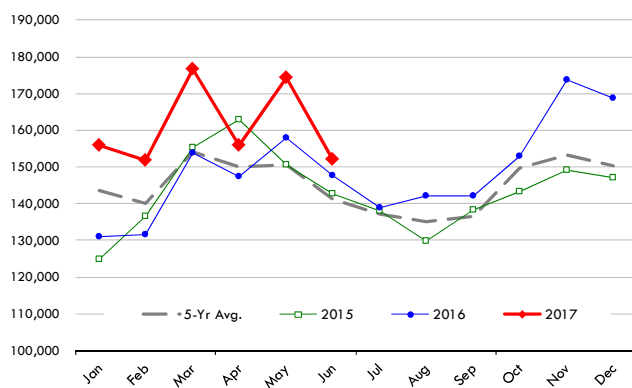
**US Exports of Fr/Frz/Pres Beef: World Total**

Source: USDA/FAS. Units: Metric Ton. Analysis by: Steiner Consulting (800.526.4612)



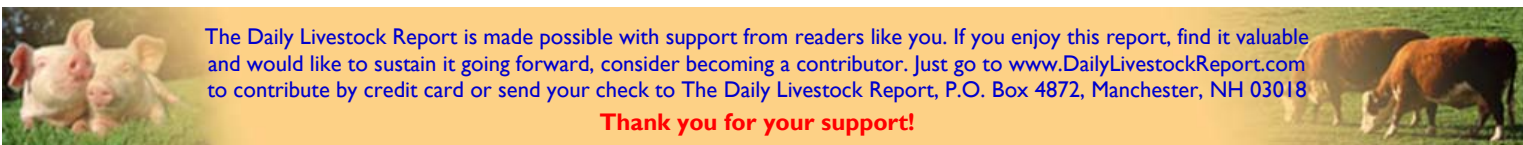
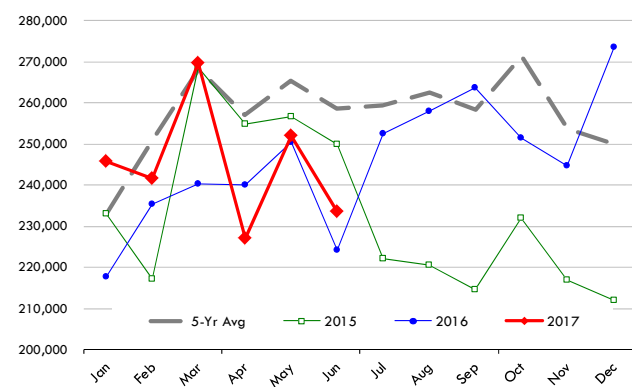
**US Exports of Fr/Frz/Cooked Pork: World Total**

Source: USDA/FAS. Units: Metric Ton. Analysis by: Steiner Consulting (800.526.4612)



**US Exports of Fr/Frz Chicken: World Total**

Source: USDA/FAS. Units: Metric Ton. Analysis by: Steiner Consulting (800.526.4612)



The Daily Livestock Report is made possible with support from readers like you. If you enjoy this report, find it valuable and would like to sustain it going forward, consider becoming a contributor. Just go to [www.DailyLivestockReport.com](http://www.DailyLivestockReport.com) to contribute by credit card or send your check to The Daily Livestock Report, P.O. Box 4872, Manchester, NH 03018

**Thank you for your support!**

The Daily Livestock Report is published by Steiner Consulting Group, DLR Division, Inc.. To subscribe, support or unsubscribe please visit [www.dailylivestockreport.com](http://www.dailylivestockreport.com).

The Daily Livestock Report is not owned, controlled, endorsed or sold by CME Group Inc. or its affiliates and CME Group Inc. and its affiliates disclaim any and all responsibility for the information contained herein. CME Group®, CME® and the Globe logo are trademarks of Chicago Mercantile Exchange, Inc.

Disclaimer: The Daily Livestock Report is intended solely for information purposes and is not to be construed, under any circumstances, by implication or otherwise, as an offer to sell or a solicitation to buy or trade any commodities or securities whatsoever. Information is obtained from sources believed to be reliable, but is in no way guaranteed. No guarantee of any kind is implied or possible where projections of future conditions are attempted. Futures trading is not suitable for all investors, and involves the risk of loss. Past results are no indication of future performance. Futures are a leveraged investment, and because only a percentage of a contract's value is required to trade, it is possible to lose more than the amount of money initially deposited for a futures position. Therefore, traders should only use funds that they can afford to lose without affecting their lifestyle. And only a portion of those funds should be devoted to any one trade because a trader cannot expect to profit on every trade.

# Daily Livestock Report

Sponsored by  **CME Group**

Vol. 15, No. 153 / August 7, 2017

## PRODUCTION & WKLY AVG. PRICE SUMMARY

Week Ending **8/5/2017**

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

Item	Units	Current Week	Last Week	Pct. Change	Last Year	Pct. Change	YTD	Y/Y % Change
		5-Aug-17	29-Jul-17		6-Aug-16			
<b>Total Beef, Pork, Chicken, Turkey</b>	<b>mil lbs., cwe</b>	<b>1,845</b>	<b>1,831</b>	<b>0.78%</b>	<b>1,786</b>	<b>3.32%</b>	<b>55,350</b>	<b>2.1%</b>
<b>C</b> FI Slaughter	Thou. Head	634	627	1.12%	583	8.75%	18,645	5.9%
<b>T</b> FI Cow Slaughter **	Thou. Head	110	114	-3.76%	101	8.78%	3,165	3.6%
<b>T</b> Avg. Dressed Weight	Lbs.	809	807	0.25%	824	-1.82%	807	-1.7%
<b>T</b> Beef Production	Million Lbs.	511.9	505.0	1.37%	477.7	7.16%	15,045	4.1%
<b>L</b> Live Fed Steer Price	\$ per cwt	117.30	117.16	0.12%	118.92	-1.36%		
<b>E</b> Dressed Fed Steer Price	\$ per cwt	187.35	187.48	-0.07%	187.82	-0.25%		
<b>&amp;</b> Oklahoma Steer (600-700 lbs)	\$ per cwt	158.22	154.82	2.20%	150.78	4.94%		
<b>&amp;</b> Choice Beef Cutout	\$ per cwt	205.00	206.96	-0.95%	198.71	3.17%		
<b>B</b> Hide/Offal	\$ per cwt, live wt	11.37	11.51	-1.22%	11.32	0.44%		
<b>E</b> Rib Primal, Choice	\$ per cwt	315.88	318.06	-0.69%	314.26	0.52%		
<b>E</b> Round Primal, Choice	\$ per cwt	175.57	176.34	-0.44%	165.36	6.17%		
<b>E</b> Chuck Primal, Choice	\$ per cwt	167.26	167.01	0.15%	151.30	10.55%		
<b>F</b> Trimmings, 50%	\$ per cwt	87.92	89.63	-1.91%	72.04	22.04%		
<b>F</b> Trimmings, 90%	\$ per cwt	233.36	233.58	-0.09%	214.93	8.57%		
<b>H</b> FI Slaughter	Thou. Head	2,250	2,239	0.49%	2,199	2.30%	69,736	2.8%
<b>H</b> FI Sow Slaughter **	Thou. Head	54.3	56.2	-3.36%	55.9	-2.79%	1,648	0.9%
<b>O</b> Avg. Dressed Weight	Lbs.	207.0	207.0	0.00%	208.0	-0.48%	211	-0.5%
<b>O</b> Pork Production	Million Lbs.	466.2	464	0.47%	456.5	2.12%	14,709	2.3%
<b>G</b> Iowa-S. Minn. Base	Wtd. Avg.	80.57	82.62	-2.48%	65.29	23.40%		
<b>S</b> Natl. Base Carcass Price	Wtd. Avg.	83.24	85.02	-2.09%	70.33	18.36%		
<b>S</b> Natl. Net Carcass Price	Wtd. Avg.	85.83	87.63	-2.05%	72.79	17.91%		
<b>S</b> Pork Cutout	205 Lbs.	97.57	100.78	-3.19%	77.97	25.14%		
<b>S</b> Ham Primal	\$ per cwt	71.79	76.59	-6.27%	61.93	15.92%		
<b>S</b> Loin Primal	\$ per cwt	85.79	88.58	-3.15%	82.30	4.24%		
<b>S</b> Belly Primal	\$ per cwt	207.26	214.69	-3.46%	101.41	104.38%		
<b>S</b> Trimmings, 72%, Fresh	\$ per cwt	83.32	92.51	-9.93%	77.99	6.83%		
<b>S</b> Hog By-Product Value	\$ per cwt, live wt	4.11	4.10	0.24%	4.00	2.75%		
<b>C</b> Young Chicken Slaughter *	Million Head	165.3	164.6	0.44%	165.1	0.09%	4,829	1.1%
<b>H</b> Avg. Weight (RTC)	Lbs.	4.62	4.59	0.66%	4.56	1.33%	6.12	-0.2%
<b>I</b> Young Chicken Production (RTC)	Million Lbs.	763.8	755.4	1.11%	753.0	1.43%	22,461	1.0%
<b>C</b> Eggs Set (19-state)	Million	216.5	217.2	-0.35%	206.8	4.67%	6,417	2.4%
<b>K</b> Chicks Placed (19-state)	Million Head	176.2	174.5	0.97%	173.3	1.65%	5,217	1.4%
<b>E</b> National Composite Whole Bird	Composite	95.24	98.24	-3.05%	81.04	17.52%		
<b>E</b> Northeast Breast, B/S	\$/cwt	148.18	149.5	-0.88%	132.85	11.54%		
<b>E</b> Northeast Leg Quarters	\$/cwt	43.69	43.13	1.30%	32.69	33.65%		
<b>T</b> Total Turkey Slaughter *	Million Head	4.197	4.241	-1.04%	4.14	1.38%	123,226	-1.9%
<b>U</b> Avg. Weight (RTC)	Lbs.	24.57	25.06	-1.98%	23.78	3.31%	31.71	2.3%
<b>R</b> Turkey Production (RTC)	Million Lbs.	103.1	106.3	-3.00%	98.4	4.73%	3,136	0.0%
<b>K</b> National Hen (8-12 lb)	8-16 Lbs.	93.50	106.30	-12.04%	98.40	-4.98%		
<b>G</b> 0.00	\$ per Bushel	3.29	3.38	-2.66%	2.97	10.77%		
<b>R</b> Soybeans, Cntrl IL	\$ per Ton	115.00	115.00	0.00%	145.00	-20.69%		
<b>A</b> Corn, Omaha	\$ per Bushel	4.10	4.42	-7.24%	3.54	15.82%		
<b>I</b> Wheat, Portland (delivered)	\$ per Bushel	9.48	9.93	-4.53%	9.97	-4.91%		
<b>N</b> Wheat, Kansas City (deliv.)	\$ per Ton	309.80	322.80	-4.03%	335.50	-7.66%		

\* 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.

The Daily Livestock Report is made possible with support from readers like you. If you enjoy reading this report and would like to sustain it going forward, consider becoming a contributor by going to our website: [www.DailyLivestockReport.com](http://www.DailyLivestockReport.com)

Thank you for your support!

