

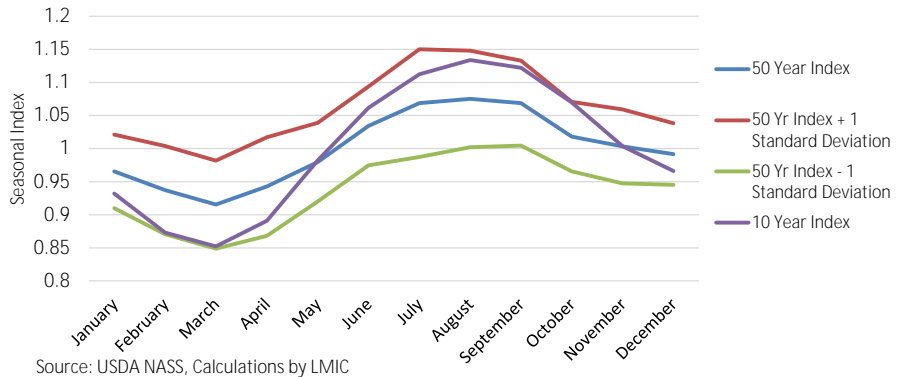
Heifer and steer dressed weights have not followed the normal seasonal pattern in 2020. The summer lows that typically occur in both classes was largely absent. The Fall would typically bring an increase in dressed weights, but so far, dressed carcass weights have continued to move sideways.

The difference between heifer and steer dressed weights, however, has mirrored normal behavior. Using a calculated seasonal index for the last 50 years, the variability between the two class weights is significantly higher in the summer months. Comparing that seasonal index to a 10 year seasonal index, weight differences between steers and heifers have grown larger in summer months.

The graph below shows the 10 year weight difference. Steers outweigh heifer carcasses, on average, between 57 to 78 pounds. Weight differences are much smaller in the first quarter of the year and rise in late summer. This year it appears that steer and heifer weights were diverging to a greater degree before the pandemic, well outside one standard deviation of the last 10 years and moved closer through the pandemic.

The weekly data for August showed steer weights have advanced significantly relative to heifer weights, ranging from 74

50 Year Seasonal Index of Difference Between Steer and Heifer Dressed Weights

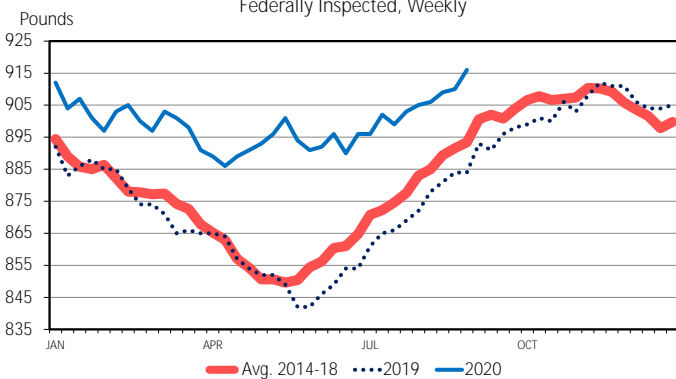


Source: USDA NASS, Calculations by LMIC

to 82 pounds higher. Relative to the last 10 years this would still be within a normal range, in part because August weights are more variable relative to each other.

This increase over the last several weeks indicates that dressed weights will likely rise with seasonal tendencies through the remainder of the year. Feedlots still have over-fed cattle lingering in feedlots. Daily average fed cattle slaughter in September is estimated to be 3.8% higher than last year, but is compared to weeks following the Holcomb, KS processing plant fire a year ago. Dressed weights, as a result will continue to be large but heifer and steer weights are likely to move in step.

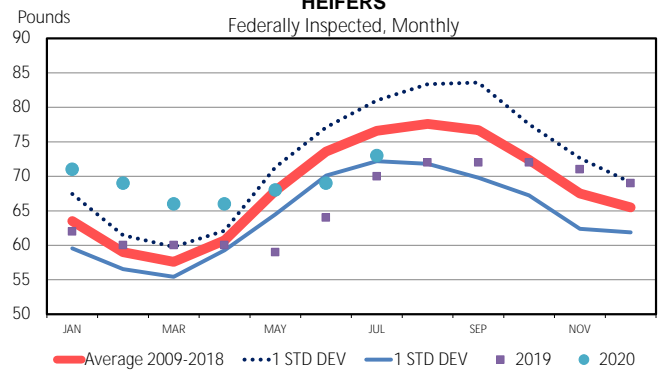
STEER DRESSED WEIGHT
Federally Inspected, Weekly



Data Source: USDA-AMS & USDA-NASS
Livestock Marketing Information Center

C-S-18
09/11/20

AVERAGE DRESSED WEIGHT DIFFERENCE STEERS & HEIFERS
Federally Inspected, Monthly



Data Source: USDA-NASS
Livestock Marketing Information Center

C-S-24E
09/20/20

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