Daily Livestock Report

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In recent weeks, hog prices have strengthened which is a positive sign for producers and the industry that hog supplies are tightening. Since July, prices for early weaned pigs, feeder pigs, barrow and gilts, and the pork cutout value have been on a gradual upward trend.

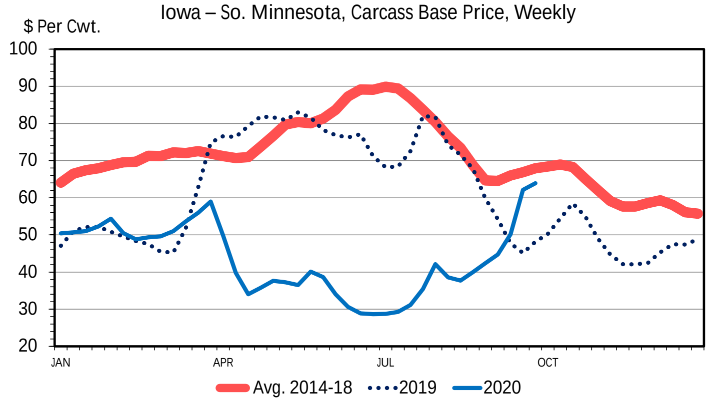
Early weaned pig prices (national, 10-12 lbs., delivered) bottomed in mid-April at $13.45 per head and remained between $15-$20 per head until mid-July when prices started to climb. As of the third week of September the price had reached $32.43 per head. A similar pattern occurred for feeder pig prices (40 lbs.) with prices bottoming over the summer at $10.90 per head but the most recent week was $41.47 per head, a nearly four-fold increase and just below last year.

Barrow and gilt prices (Iowa-Southern Minnesota, Carcass Base Price) reached their low at $28.66 per cwt in late June. Since the low, prices have recovered to $63.91 per cwt in late September, the highest price for 2020 so far. The rise in prices towards the tail end of the third quarter and leading into the fourth quarter is a counter seasonal move for the price series. Typically, prices reach their peak during the summer months then gradually decline going into the fourth quarter.

The pork cutout value has taken a similar counter seasonal move with an increase that has been occurring since early July. In early April the cutout value dropped to $53.54 per cwt then quickly spiked to $115.12 per cwt just five weeks later. By the first week of June the cutout value had again precipitously dropped to $64.60 per cwt. Since that low, the cutout value been on an upward path with the most recent week at $90.00 per cwt, above the prior year and the five-year average.

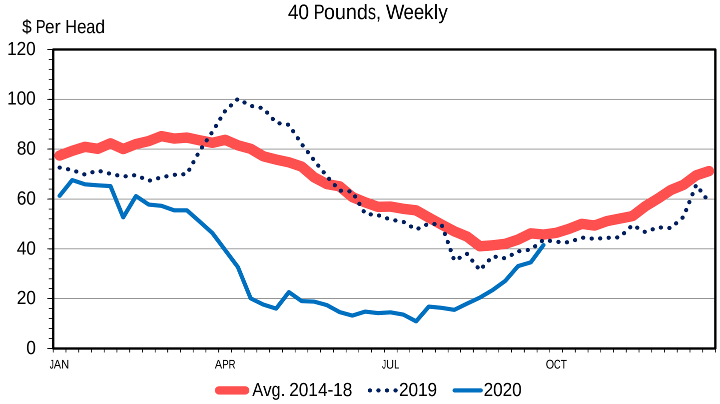
The September 1 Hogs & Pigs report still indicates ample supplies of heavy-weight hogs in the supply chain. Most of these hogs are destined to be processed during the fourth quarter, when supplies typically peak, and slaughter capacity becomes an issue. Weekly slaughter has yet to crest the 2.7 million head mark post-pandemic. Last year, weekly slaughter of 2.7 to 2.8 million head per week were levels reached for most weeks during the fourth quarter. Similar levels are likely needed this year to prevent any further backlog of hogs in the supply chain which could pressure prices in the fourth quarter. Estimated federally inspected hog slaughter for weeks ending 9/126/20 and 10/03/20 are at 2.6 million head, both are below last year's actual levels by 2.5-1.5%. These numbers will be revised when the actual data is released. June and July weekly slaughter numbers were above a year ago for the most part.

BARROW AND GILT PRICES
Iowa – So. Minnesota, Carcass Base Price, Weekly



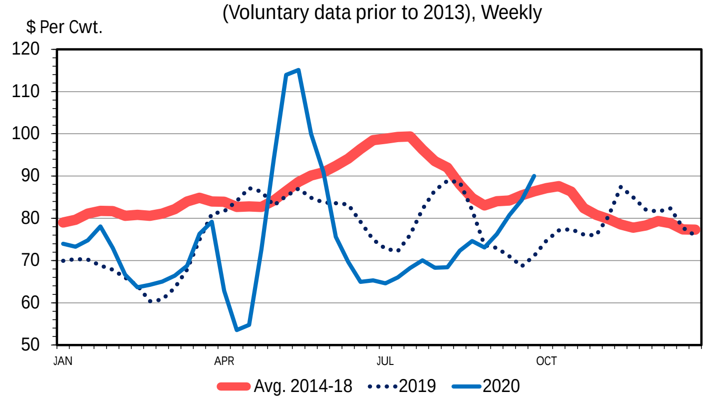
Data Source: USDA-AMS, Compiled by LMIC
Livestock Marketing Information Center
H-P-09
09/28/20

FEEDER PIG PRICES
40 Pounds, Weekly



Data Source: USDA-AMS
Livestock Marketing Information Center
H-P-22
09/28/20

PORK CUTOUT VALUE
(Voluntary data prior to 2013), Weekly



Data Source: USDA-AMS, Compiled by LMIC
Livestock Marketing Information Center
H-P-10
09/28/20

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PRODUCTION & PRICE SUMMARY

Week Ending 10/3/2020

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
			3-Oct-20	26-Sep-20		5-Oct-19			
	Beef, Pork, Chicken, & Turkey	Mil Lbs., cwe	2,042	2,018	1.2%	2,050	-0.4%	75,632	0.5%
C	FI Slaughter	Thou. Head	665	651	2.2%	645	3.2%	24,173	-4.1%
A	FI Cow Slaughter **	Thou. Head	124	107	15.7%	128	-3.5%	4,533	-1.3%
T	Avg. Dressed Weight	Lbs.	841	842	-0.1%	821	2.4%	829	2.8%
T	Beef Production	Million Lbs.	558.1	546.6	2.1%	528.1	5.7%	20,033	-1.5%
L	Live Fed Steer Price, 5-Mkt	$ per cwt	107.11	105.05	2.0%	107.34	-0.2%		
E	Dressed Steer Price, 5-Mkt	$ per cwt	167.68	164.89	1.7%	169.80	-1.2%		
	Oklahoma Steer (600-700 lbs)	$ per cwt	140.26	139.32	0.7%	147.56	-4.9%		
&	Choice Beef Cutout	$ per cwt	218.10	216.87	0.6%	212.58	2.6%		
	Hide/Offal	$ per cwt, live wt	8.17	8.05	1.5%	8.95	-8.7%		
B	Rib, Primal, Choice	$ per cwt	380.31	366.64	3.7%	371.96	2.2%		
E	Round, Primal, Choice	$ per cwt	171.05	171.05	0.0%	176.05	-2.8%		
E	Chuck, Primal, Choice	$ per cwt	178.08	175.38	1.5%	168.96	5.4%		
F	Trimmings, 50%, Fresh	$ per cwt	50.52	48.43	4.3%	47.67	6.0%		
	Trimmings, 90%, Fresh	$ per cwt	209.56	214.45	-2.3%	220.03	-4.8%		
	FI Slaughter	Thou. Head	2,603	2,601	0.1%	2,660	-2.2%	97,541	1.0%
H	FI Sow Slaughter **	Thou. Head	66.1	56.8	16.4%	61.3	7.9%	2,424	11.6%
O	Avg. Dressed Weight	Lbs.	211.0	211.0	0.0%	211.0	0.0%	214	0.8%
G	Pork Production	Million Lbs.	549.2	547.1	0.4%	560.9	-2.1%	20,890	1.8%
S	Natl. Negotiated Purchase	Wtd. Avg.	64.30	63.59	1.1%	49.58	29.7%		
	Natl. Base Carcass Price	Wtd. Avg.	73.42	70.69	3.9%	61.31	19.7%		
&	Natl. Net Carcass Price	Wtd. Avg.	75.26	72.72	3.5%	63.49	18.5%		
	Natl. Early Wean Feeder	10-12 Lbs.	34.96	32.43	7.8%	39.04	-10.5%		
P	Pork Cutout	$ per cwt	92.86	90.00	3.2%	74.73	24.3%		
O	By-product Value	$ per cwt, live wt	4.08	4.06	0.5%	3.50	16.6%		
R	Ham, Primal	$ per cwt	86.14	85.80	0.4%	61.97	39.0%		
K	Loin, Primal	$ per cwt	81.52	76.32	6.8%	68.45	19.1%		
	Belly, Primal	$ per cwt	149.74	150.25	-0.3%	125.02	19.8%		
	Trimmings, 72%, Fresh	$ per cwt	84.07	83.19	1.1%	53.61	56.8%		
C	Young Chicken Slaughter *	Million Head	170.6	170.3	0.2%	175.15	-2.6%	6,410	-0.4%
H	Avg. Weight (RTC)	Lbs.	4.89	4.84	1.1%	4.85	0.9%	4.79	1.7%
I	Young Chicken Production (RTC)	Million Lbs.	834.8	824.3	1.3%	849.3	-1.7%	30,683	1.3%
C	Eggs Set (US)	Million	227.7	221.3	2.9%	226.3	0.6%	9,060	0.5%
K	Chicks Placed (US)	Million Head	181.4	186.3	-2.6%	182.8	-0.8%	7,249	-0.4%
E	National Composite Whole Bird	Composite	63.24	63.27	0.0%	79.61	-20.6%		
N	Northeast Breast, B/S	$ per cwt	98.64	94.75	4.1%	88.21	11.8%		
	Northeast Leg Quarters	$ per cwt	24.57	23.94	2.6%	37.71	-34.8%		
T	Total Turkey Slaughter *	Million Head	4.02	3.94	2.0%	4.37	-8.1%	155.5	-1.1%
U	Avg. Weight (RTC)	Lbs.	24.79	25.23	-1.7%	25.46	-2.6%	25.89	-1.0%
R	Turkey Production (RTC)	Million Lbs.	99.6	99.5	0.2%	111.3	-10.5%	4,027	-2.2%
K	National Hen (8-12 Lbs)	$ per cwt	119.00	116.00	2.6%	89.49	33.0%		
G	Corn, Omaha	$ per Bushel	3.68	3.52	4.5%	3.76	-2.1%		
R	Distillers Grain, IA	$ per Ton	145.00	142.50	1.8%	132.50	9.4%		
A	Soybean, Cntrl IL	$ per Bushel	10.19	9.97	2.2%	8.93	14.1%		
I	Soybn Meal 48%, Cntrl IL	$ per Ton	346.90	329.50	5.3%	308.90	12.3%		
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).