

The October Cattle on Feed (COF) report is scheduled to be released Friday, October 23, 2020, by USDA National Agricultural Statistics Service (NASS). Industry pre-report estimates leading up to the report were released yesterday.

Industry analysts expect that cattle on feed as of October 1 will be just over 11.65 million head, 3.2% above the same month a year ago. The range of estimates (up 2.7% – 3.9%) suggests that cattle on feed could be 11.59 to just over 11.73 million head. The average estimate for cattle on feed would be a record for the month of October with the current record set at 11.4 million head which occurred just two years ago in 2018. Even the low estimate of 11.59 million head would be a record for the month. Cattle on feed typically reaches its low about September then steadily increases over the remainder of the year before reaching peak levels in December. Although April and May saw abnormal dips from seasonal patterns since August cattle on feed have been following more typical patterns. The pre-report estimate for October suggests analysts expect the pattern to continue for the remainder of the year.

The average estimate for fed cattle marketings in September is 5.8% above a year ago, ranging from 4.9% to 6.7% higher than the prior year. This puts the average estimate at 1.84 million head with a range of 1.82 to 1.85 million head. The average estimate (and the low estimate of 1.82 million head) would be the highest level for fed cattle marketings since September 2003

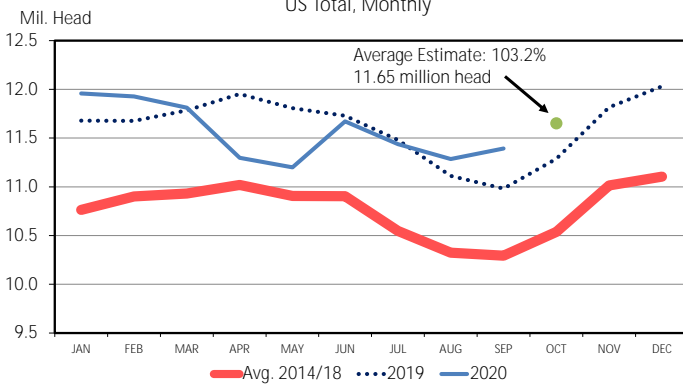
	Pre-Report Average	Pre-Report Range
On-Feed October 1	103.2	102.7 - 103.9
Placed in September	102.4	98.9 - 106.5
Marketed in September	105.8	104.9 - 106.7

Pre-Report Source: Urner Barry (used with permission)

which was 2.032 million head.

Cattle placed on feed in September had an average estimate of 2.4% higher than last year putting the estimate at 2.15 million head. The range of estimates was much wider than cattle on feed and fed cattle marketings. Estimates ranged from down 1.1% to up 6.5%, a spread of 7.6%, or nearly 160,000 head. The higher average estimate of cattle placed on feed is supported by the continued strong pace of cattle imports from Mexico. Weekly data is showing that during the month of September, U.S. imports of Mexican cattle were approximately 25,000 head (38.0%) higher than last year. The growth in Mexican cattle imports could partially be due to drought conditions in parts of northern Mexico. Another factor possibly contributing to higher cattle placed on feed is the continued drought conditions in much of the western U.S. As the situation continues to develop in key cattle producing regions some producers will likely be forced to place cattle due to lack of available feed and deteriorating pasture conditions.

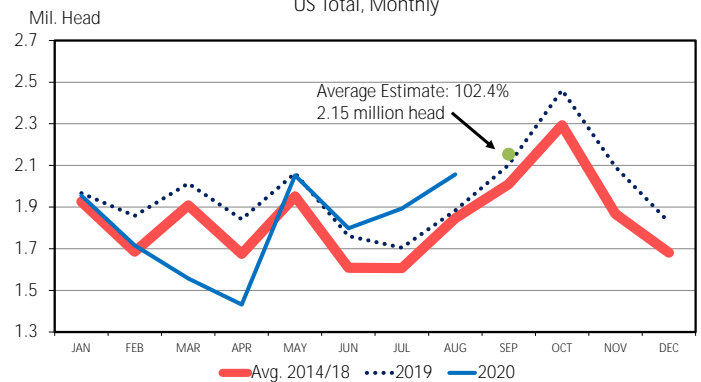
CATTLE ON FEED
US Total, Monthly



Data Source: USDA-NASS
Livestock Marketing Information Center

C-N-10
09/25/20

FEEDLOT PLACEMENTS
US Total, Monthly



Data Source: USDA-NASS
Livestock Marketing Information Center

C-N-08
09/25/20

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