

CME holiday trading hours: Livestock markets will as usual on Wednesday, November 23. No trading on Thursday, November 23 in observance of Thanksgiving holiday. Regular open at 0830 Central on Friday but with an early close at 1215 CT. [You can view full details on the CME website.](#)

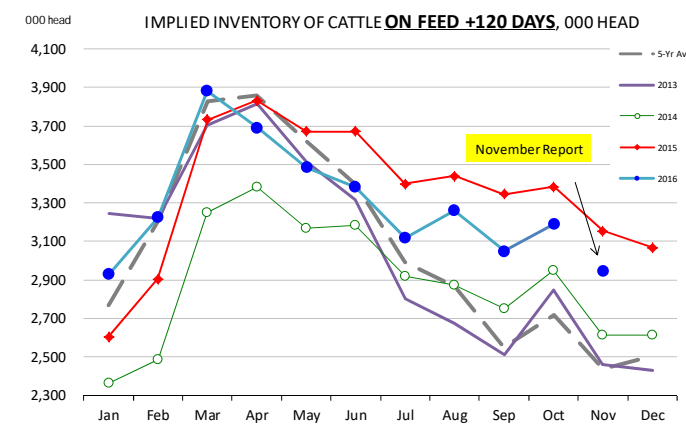
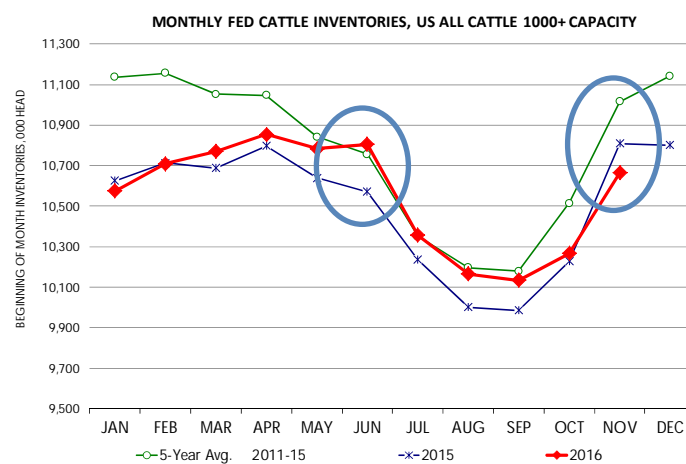
USDA issued the results of 'Cattle on Feed' report on Friday and the results for the most part were very close to pre-report estimates. We expect futures markets will view this report as generally very close to pre-report estimates. The survey estimated the total number of cattle on feed in feedlots with +1000 head capacity at 10.665 million head, 1.3% lower than a year ago. Analysts polled by Urner Barry expected the total inventory to be 1.1% lower than a year ago (see table). **The number of cattle placed on feed in October was estimated at 2.171 million head, 5% lower than last year and almost exactly the same as what analysts were on average expecting.** In the last two months placements have declined a combined 150,000 head from a year ago and they are some 312,000 head lower than the five year average. The reduction in placements and the risk of winter weather may be supportive of fed cattle prices in the very near term. A number of factors have limited placements so far this fall. Weather in key production areas has been quite mild and this has allowed producers to keep animals outside of feedlots, particularly given the extremely volatile markets and depressed fed cattle prices out front. Feedlots also have been struggling with poor margins and this has limited demand for calves to be placed on feed in early fall. As Jim Robb of the LMIC also pointed out to us, part of the reason for the reduction in placements may be due to fewer dairy calves now going into feedlots. Some packers have limited or stopped buying dairy bred animals entirely. Data on the number of dairy bred animals in the overall mix are a bit spotty but we get some indication on those from the Mandatory Price Reporting system (LM_CT186). According to that report, October marketings of dairybred steers/heifers were a total of 193,028 head, up about 11% from a year ago but quite a bit lower than the 288,000 head marketed in April. Reduced forward demand for dairybred animals may have impacted placements in the last couple of months. Another way to look at this is by observing calf slaughter, which since early September has averaged 17% higher than a year ago (+15,348 head total). **Cattle marketings in October were 1.705 million head, up 4.6% compared to a year ago.** There was one extra marketing day this year, which means that **on a daily basis marketings were up by 9.6% compared to last year** (1.705MM / 21 days = 81.19 head/day vs. last year 1.630MM / 22 days = 74.09 head/day). Packer margins have been excellent and this encouraged packers to increase the number of cattle they process during the week and especially on Saturday.

Takeaway: Smaller on feed supplies and relatively more current feedlot conditions should help support fed cattle values in the very short term. It is unclear that futures at this point have priced enough of a winter weather premium, especially for February. The main challenge for the beef market is post holiday demand. Meat protein supplies are plentiful and there will be fierce competition for the meat case in January and February. Summer futures are heavily discounted as market expects placements to increase in Q1.

U.S. ALL CATTLE ON FEED: 1,000+ CAPACITY FEEDLOTS

Source: USDA/NASS. Analyst Estimates from Urner Barry

	Number, Thousand Head			Current Year as % of Year Prior		
	2014	2015	2016	Actual	Estimates	Difference
Placed on Feed During Oct	2,368	2,286	2,171	95.0	95.1	-0.1
Fed Cattle Marketed Oct	1,685	1,630	1,705	104.6	104.4	0.2
On Feed November 1	10,571	10,809	10,665	98.7	98.9	-0.2



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 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. Copyright © 2016 Steiner Consulting Group, DLR Division, Inc. All rights reserved.

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. 14, No. 230 / November 21, 2016

PRODUCTION & WKLY AVG. PRICE SUMMARY

Week Ending **11/19/2016**

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
		19-Nov-16	12-Nov-16		21-Nov-15				
Total Beef, Pork, Chicken, Turkey	mil lbs., cwe	1,967	1,900	3.53%	1,850	6.34%	82,198		2.8%
C FI Slaughter	Thou. Head	629	610	3.11%	571	10.22%	26,640		5.2%
C FI Cow Slaughter **	Thou. Head	117	116	0.51%	109	6.97%	4,628		6.5%
T Avg. Dressed Weight	Lbs.	841	843	-0.24%	849	-0.94%	826		0.1%
T Beef Production	Million Lbs.	527.5	512.8	2.87%	483.5	9.10%	21,996		5.3%
L Live Fed Steer Price	\$ per cwt	107.92	103.70	4.07%	124.83	-13.55%			
E Dressed Fed Steer Price	\$ per cwt	169.92	162.15	4.79%	194.71	-12.73%			
Oklahoma Steer (600-700 lbs)	\$ per cwt	N/A	124.66	N/A	177.61	N/A			
& Choice Beef Cutout	\$ per cwt	182.98	185.47	-1.34%	206.41	-11.35%			
Hide/Offal	\$ per cwt, live wt	11.94	11.86	0.67%	10.99	8.64%			
B Rib Primal, Choice	\$ per cwt	358.09	346.26	3.42%	361.89	-1.05%			
E Round Primal, Choice	\$ per cwt	148.19	152.06	-2.55%	174.02	-14.84%			
E Chuck Primal, Choice	\$ per cwt	149.07	158.03	-5.67%	166.28	-10.35%			
F Trimmings, 50%	\$ per cwt	52.49	52.25	0.46%	44.48	18.01%			
Trimmings, 90%	\$ per cwt	193.55	195.17	-0.83%	212.07	-8.73%			
FI Slaughter	Thou. Head	2,531	2,452	3.22%	2,395	5.70%	103,488		1.7%
FI Sow Slaughter **	Thou. Head	58.0	60.9	-4.74%	52.9	9.67%	2,480		2.1%
H Avg. Dressed Weight	Lbs.	211.0	211.0	0.00%	213.0	-0.94%	211		-0.6%
O Pork Production	Million Lbs.	534.3	517	3.35%	510.8	4.60%	21,849		1.1%
G Iowa-S. Minn. Base	Wtd. Avg.	40.80	41.78	-2.35%	51.17	-20.27%			
S Natl. Base Carcass Price	Wtd. Avg.	49.46	49.93	-0.94%	56.08	-11.80%			
Natl. Net Carcass Price	Wtd. Avg.	51.51	52.11	-1.15%	57.94	-11.10%			
Pork Cutout	205 Lbs.	73.63	74.27	-0.86%	73.29	0.46%			
Ham Primal	\$ per cwt	72.70	68.33	6.40%	60.47	20.22%			
Loin Primal	\$ per cwt	66.71	67.78	-1.58%	73.89	-9.72%			
Belly Primal	\$ per cwt	103.29	108.12	-4.47%	109.03	-5.26%			
Trimmings, 72%, Fresh	\$ per cwt	42.22	45.36	-6.92%	49.06	-13.94%			
Hog By-Product Value	\$ per cwt, live wt	3.74	3.76	-0.53%	3.32	12.65%			
C Young Chicken Slaughter *	Million Head	162.1	159.6	1.58%	158.6	2.20%	7,196		1.1%
H Avg. Weight (RTC)	Lbs.	4.78	4.67	2.28%	4.64	2.95%	6.14		0.9%
I Young Chicken Production (RTC)	Million Lbs.	775.0	745.9	3.89%	736.5	5.21%	33,583		2.0%
C Eggs Set (19-state)	Million	207.0	202.7	2.17%	207.3	-0.14%	9,325		0.9%
K Chicks Placed (19-state)	Million Head	164.9	164.0	0.55%	160.2	2.97%	7,662		0.8%
E National Composite Whole Bird	Composite	79.74	78.08	2.13%	75.18	6.07%			
N Georgia Dock Broiler Price	2.5-3 Lbs.	110.28	110.4	-0.11%	112.36	-1.85%			
Northeast Breast, B/S	\$/cwt	100.68	101.26	-0.57%	105.06	-4.17%			
Northeast Leg Quarters	\$/cwt	34.64	32.43	6.81%	23.7	46.16%			
T Total Turkey Slaughter *	Million Head	5.562	5.426	2.51%	5.307	4.80%	193.263		2.9%
U Avg. Weight (RTC)	Lbs.	23.45	22.91	2.36%	22.42	4.60%	30.69		1.9%
R Turkey Production (RTC)	Million Lbs.	130.4	124.3	4.93%	119.0	9.63%	4,770		4.8%
K National Hen (8-12 lb)	8-16 Lbs.	115.41	123.83	-6.80%	129.22	-10.69%			
G Corn, Omaha	\$ per Bushel	3.02	2.96	2.03%	3.54	-14.69%			
R Distillers Grain, Chicago	\$ per Ton	115.00	115.00	0.00%	132.50	-13.21%			
A Wheat, Kansas City (deliv.)	\$ per Bushel	3.44	3.26	5.52%	4.17	-17.51%			
I Soybeans, Cntrl IL	\$ per Bushel	9.83	9.86	-0.30%	8.79	11.83%			
N Soybn Meal 48%, Cntrl IL	\$ per Ton	320.00	320.40	-0.12%	304.60	5.06%			

* 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

Thank you for your support!

