Daily Livestock Report

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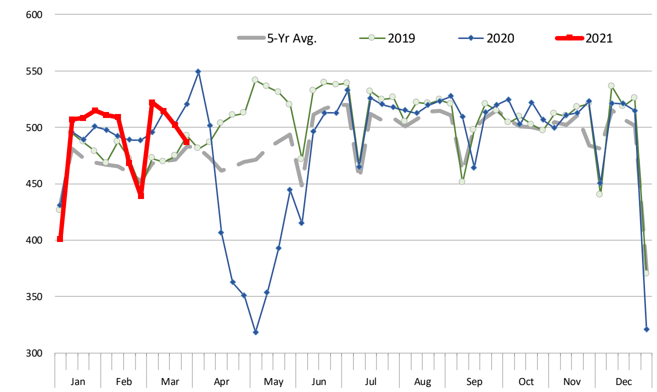
<u>Cattle slaughter last week was estimated at 624k, down 5.5% from a year ago</u>. Winter storms in parts of the country created difficulties in moving animals around and plants had trouble running full shifts. Some of this was made up on Saturday but it was not enough to fill the gaps created earlier in the week. We think fed cattle slaughter last week was 487k head, down 6.5% from a year ago and the lowest since that short February 20 week. In the last four weeks, fed cattle slaughter has been a total of 2.033 million head, including our estimate for last week, about the same as a year ago. As we note below, feedlots started March with significantly more market ready cattle than a year ago and the setback of the last few days may continue to weigh on cattle values in the near term. On the other hand, the short slaughter week appeared to support wholesale beef prices.

<u>Hog slaughter last week was estimated at 2.524 million head, lower than what we were expecting when the week got under way</u>. Slaughter is down about 10% from a year ago but we think for the next few months the year/year comparisons will make little sense. Last year COVID fears caused producers to accelerate marketings in March. The comparable week a year ago was almost 2.8 million hogs, about 300k hogs higher than in 2019. The year/year comparisons will be even more lopsided in April and May when a number of plants suspended operations. It would make more sense to compare to 2019. Last week's slaughter was 21k head or 0.8% higher than in 2019. Current slaughter numbers are about 80-100k head smaller than we would have expected based on the USDA 'Hogs and Pigs' report issued back in December. An update of the inventory numbers will be issued on Thursday, offering insights on the pig crop for the Dec-Feb period and expected supplies this summer as well as a better indication of the farrowings for Mar-May and thus hog supplies this fall.

<u>On March 1 the total inventory of cattle in feedlots with +1000 head capacity was estimated at 12.000 million head, 189k head or 1.6% higher than the previous year</u>. As has been the case for some time, the inventory of cattle on feed remains front loaded, with significantly more market ready cattle than a year ago. This continues to impact both the cash market and spread action in futures. Per our calculations, the inventory of cattle that on March 1 had been on feed for 150 days or more was 2.658 million head, 598k head or 29% higher than a year ago. The inventory of cattle with 120 days or longer on feed was estimated at 4.787 million head, 324k head or 7.3% higher than last year. Feedlots placed 1.684 million head of cattle on feed during February, 32,000 head or 1.9% less than a year ago. This was the lowest February placement figure since February 2015. The biggest reduction in placements in February was in the 600-699 pound category, which declined 25k head or 8% compared to a year ago. Placements of calves under 600 pounds were down 5k head or 1.5%

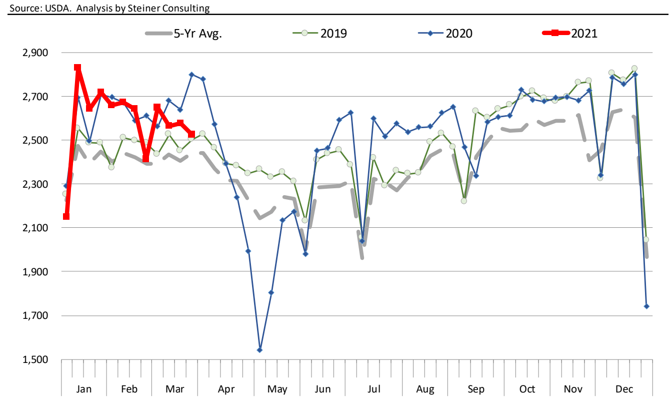
WEEKLY STEER AND HEIFER SLAUGHTER. '000 HEAD

Source: USDA



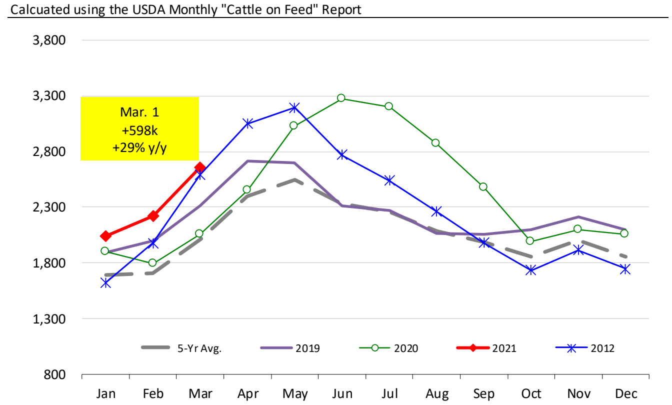
WEEKLY HOG SLAUGHTER. '000 HEAD

Source: USDA. Analysis by Steiner Consulting



INVENTORY OF CATTLE THAT HAVE BEEN ON FEED FOR 150 DAYS OR MORE

Calcuated using the USDA Monthly "Cattle on Feed" Report



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PRODUCTION & WKLY AVG. PRICE SUMMARY Week Ending 3/20/2021

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
			20-Mar-21	13-Mar-21		21-Mar-20			
	Total Beef, Pork, Chicken, Turkey	**mil lbs., cwe**	**1,986**	**2,043**	-2.79%	**2,063**	-3.72%	**21,933**	-3.2%
	FI Slaughter	Thou. Head	624	647	-3.55%	660	-5.50%	7,099	-3.3%
C	FI Cow Slaughter **	Thou. Head	138	135	2.61%	126	9.87%	1,296	1.1%
T	Avg. Dressed Weight	Lbs.	834	838	-0.48%	830	0.48%	841	1.6%
T	Beef Production	Million Lbs.	519.0	541.0	-4.07%	546.6	-5.05%	5,967	-1.8%
L	Live Fed Steer Price	$ per cwt	114.25	113.62	0.55%	109.89	3.97%		
E	Dressed Fed Steer Price	$ per cwt	181.28	179.32	1.09%	173.13	4.71%		
	Oklahoma Steer (600-700 lbs)	$ per cwt	146.69	150.81	-2.73%	125.34	17.03%		
&	Choice Beef Cutout	$ per cwt	227.75	227.99	-0.11%	243.03	-6.29%		
	Hide/Offal	$ per cwt, live wt	10.16	9.90	2.63%	8.33	21.97%		
B	Rib Primal, Choice	$ per cwt	375.07	371.25	1.03%	359.50	4.33%		
E	Round Primal, Choice	$ per cwt	183.02	184.96	-1.05%	226.73	-19.28%		
E	Chuck Primal, Choice	$ per cwt	188.03	191.78	-1.96%	219.01	-14.15%		
F	Trimmings, 50%	$ per cwt	46.79	43.61	7.29%	56.76	-17.57%		
	Trimmings, 90%	$ per cwt	231.38	232.33	-0.41%	229.60	0.78%		
	FI Slaughter	Thou. Head	2,524	2,578	-2.09%	2,799	-9.82%	29,215	-4.4%
	FI Sow Slaughter **	Thou. Head	67.5	66.2	1.84%	62.8	7.48%	624	1.7%
H	Avg. Dressed Weight	Lbs.	217.0	217.0	0.00%	215.0	0.93%	219	1.5%
O	Pork Production	Million Lbs.	547.7	559.2	-2.06%	602.6	-9.11%	6,395	-2.9%
G	Iowa-S. Minn. Base	Wtd. Avg.	87.35	85.24	2.48%	55.54	57.27%		
S	Natl. Base Carcass Price	Wtd. Avg.	87.14	84.89	2.65%	62.98	38.36%		
	Natl. Net Carcass Price	Wtd. Avg.	89.18	86.96	2.55%	64.90	37.41%		
	Natl. Early Wean Feeder	Wtd. Avg.	48.63	52.23	-6.89%	25.45	91.08%		
	Pork Cutout	205 Lbs.	102.79	97.49	5.44%	76.33	34.67%		
	Ham Primal	$ per cwt	84.78	80.47	5.36%	54.86	54.54%		
	Loin Primal	$ per cwt	90.91	85.66	6.13%	82.91	9.65%		
	Belly Primal	$ per cwt	177.12	168.77	4.95%	85.64	106.82%		
	Trimmings, 72%, Fresh	$ per cwt	121.36	108.60	11.75%	74.62	62.64%		
	Hog By-Product Value	$ per cwt, live wt	4.87	4.60	5.87%	3.59	35.65%		
C	Young Chicken Slaughter *	Million Head	169.3	172.5	-1.86%	170.5	-0.69%	1,755	-5.5%
H	Avg. Weight (RTC)	Lbs.	4.80	4.83	-0.47%	4.70	2.10%	6.36	1.7%
I	Young Chicken Production (RTC)	Million Lbs.	813.3	832.7	-2.33%	802.1	1.39%	8,482	-3.8%
C	Eggs Set (19-state)	Million	238.8	238.9	-0.03%	238.8	0.00%	2,594	-1.3%
K	Chicks Placed (19-state)	Million Head	187.3	187.1	0.12%	188.2	-0.46%	2,052	-1.9%
E	National Composite Whole Bird	Composite	84.84	83.99	1.01%	87.51	-3.05%		
	Northeast Breast, B/S	$/cwt	138.29	141.59	-2.33%	118.51	16.69%		
	Northeast Leg Quarters	$/cwt	37.92	36.03	5.25%	35.76	6.04%		
T	Total Turkey Slaughter *	Million Head	4.022	4.119	-2.35%	4.253	-5.43%	40.292	-9.2%
U	Avg. Weight (RTC)	Lbs.	26.39	26.78	-1.44%	26.22	0.68%	33.68	1.3%
R	Turkey Production (RTC)	Million Lbs.	106.2	110.3	-3.76%	111.5	-4.79%	1,089	-8.3%
K	National Hen (8-12 lb)	8-16 Lbs.	111.60	112.20	-0.53%	97.00	15.05%		
G	Corn, Omaha	$ per Bushel	5.31	5.24	1.34%	3.26	62.88%		
R	Soybeans, Cntrl IL	$ per Bushel	14.14	14.36	-1.53%	8.54	65.57%		
A	Soybn Meal 48%, Cntrl IL	$ per Bushel	406.60	417.10	-2.52%	316.30	28.55%		
I	Distillers Grain, IL	$ per Bushel	232.50	240.00	-3.13%	147.50	57.63%		

* Chicken & turkey slaughter. Production, egg sets 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.

*** Please note that the number of business days is different from one year to the next, which affects the YTD calculation