Daily Livestock Report

Sponsored in part by CME Group

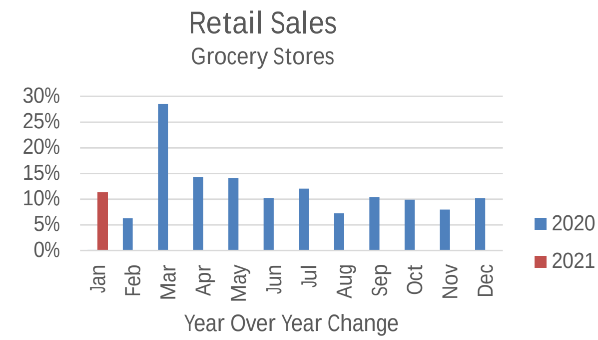
Copyright ©2021 Steiner Consulting Group, DLR Division, Inc. All rights reserved.

Vol. 19, No. 39/ March 1, 2021

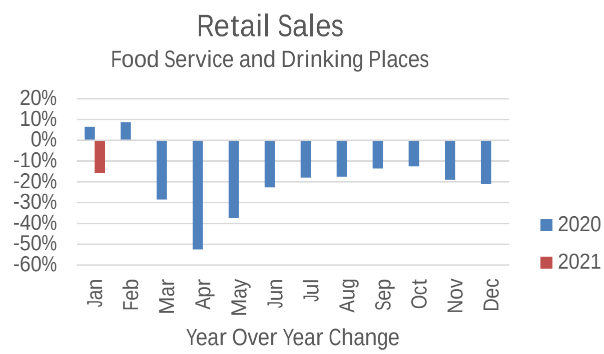
Consumer demand for meat is showing some evidence of a positive surprise for the first quarter of the year. Weather created supplies disruptions during the last half of February, but even in the first six weeks of the year, both the beef and pork cutout values were moving higher. Beef and pork production were down 3% in January from a year ago. There were fewer days available for processing (21 versus 23 while there was one more Saturday) so on the basis of production per slaughter day, production was up slightly from January 2020. Meanwhile, meat cutout values are higher than a year ago.

Food sector retail sales in January were down 2.6% from the prior January. Food sector sales have fallen short of year earlier values since last March when restrictions were put in place for the economy to reign in Covid. It was the smallest monthly year-over-year decline since last October and is sort of a positive surprise given the confusion at the federal government level with dispersing more economic aid to consumers in January. The gains in beef and pork values are that much more impressive in light of the January retail sales.

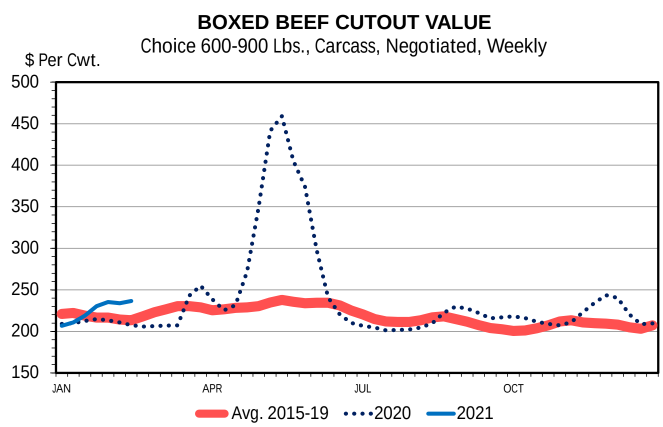
The Bureau of Economic Analysis (BEA). A branch of the Department of Commerce, released estimates of US personal income for January on Friday. This data provides some clues about consumer's economic situation recently. Wages and salaries, usually the dominant factor supporting food spending, were up 1.1% from a year earlier. Wage and salary income moved back above year earlier levels last August, following 4 months of disruption due to Covid from April-July. According to the BEA, Covid economic aid payments in January jumped close to 300% from December. This compares with a jump of over 500% in these program payments from March to April last year. The timing and scale of these income boosts suggests that consumers spending on meat is positively affected by the receipt of government Covid aid payments.



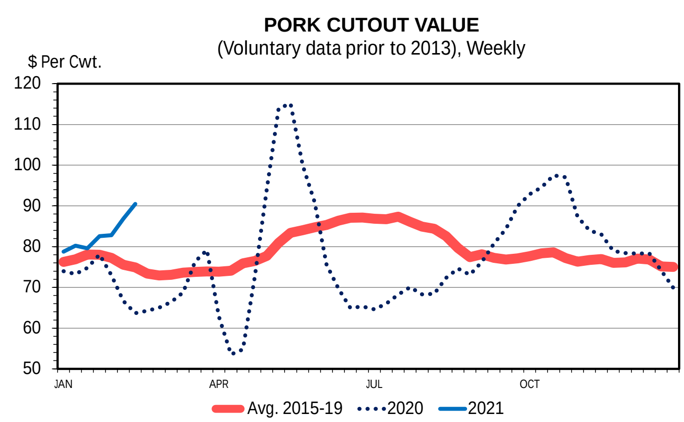
Source: Department of Commerce
Livestock Marketing Information Center



Source: Department of Commerce
Livestock Marketing Information Center



Data Source: USDA-AMS
Livestock Marketing Information Center
C-P-62
02/22/21



Data Source: USDA-AMS, Compiled by LMIC
Livestock Marketing Information Center
H-P-10
02/22/21

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.

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 require 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.

Copyright ©2021 Steiner Consulting Group, DLR Division, Inc. All rights reserved. Vol. 19, No. 39/ March 1, 2021

PRODUCTION & PRICE SUMMARY

Week Ending 2/27/2021

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
			27-Feb-21	20-Feb-21		29-Feb-20			
	Beef, Pork, Chicken, & Turkey	Mil Lbs., cwe	1,678	1,888	-11.1%	1,988	-15.6%	15,851	-4.3%
C	FI Slaughter	Thou. Head	666	552	20.7%	628	6.0%	5,166	-4.2%
A	FI Cow Slaughter **	Thou. Head	129	135	-3.9%	123	4.9%	7,197	-1.3%
T	Avg. Dressed Weight	Lbs.	844	846	-0.2%	831	1.6%	846	2.3%
T	Beef Production	Million Lbs.	561.1	465.9	20.4%	520.6	7.8%	4,372	-2.0%
L	Live Fed Steer Price, 5-Mkt	$ per cwt	114.12	114.07	0.0%	114.85	-0.6%		
E	Dressed Steer Price, 5-Mkt	$ per cwt	181.69	180.57	0.6%	184.78	-1.7%		
	Oklahoma Steer (600-700 lbs)	$ per cwt	146.08	151.51	-3.6%	148.31	-1.5%		
&	Choice Beef Cutout	$ per cwt	240.39	236.56	1.6%	206.34	16.5%		
	Hide/Offal	$ per cwt, live wt	9.75	9.65	1.0%	8.92	9.3%		
B	Rib, Primal, Choice	$ per cwt	395.54	392.82	0.7%	326.29	21.2%		
E	Round, Primal, Choice	$ per cwt	194.13	189.87	2.2%	179.42	8.2%		
E	Chuck, Primal, Choice	$ per cwt	204.43	200.37	2.0%	165.13	23.8%		
F	Trimmings, 50%, Fresh	$ per cwt	50.45	48.86	3.3%	57.33	-12.0%		
	Trimmings, 90%, Fresh	$ per cwt	231.59	226.53	2.2%	228.29	1.4%		
	FI Slaughter	Thou. Head	2,642	2,432	8.6%	2,561	3.2%	21,568	-3.8%
H	FI Sow Slaughter **	Thou. Head	58.1	64.3	-9.7%	61.3	-5.2%	3,733	9.1%
O	Avg. Dressed Weight	Lbs.	218.0	219.0	-0.5%	215.0	1.4%	220	2.0%
G	Pork Production	Million Lbs.	576.1	532.7	8.1%	550.8	4.6%	4,743	-1.9%
S	Natl. Negotiated Purchase	Wtd. Avg.	74.97	68.93	8.8%	49.82	50.5%		
	Natl. Base Carcass Price	Wtd. Avg.	78.37	76.02	3.1%	59.25	32.3%		
&	Natl. Net Carcass Price	Wtd. Avg.	80.42	77.88	3.3%	61.22	31.4%		
	Natl. Early Wean Feeder	10-12 Lbs.	56.62	58.23	-2.8%	41.04	38.0%		
P	Pork Cutout	$ per cwt	93.19	90.49	3.0%	65.04	43.3%		
O	By-product Value	$ per cwt, live wt	4.57	4.54	0.7%	3.61	26.6%		
R	Ham, Primal	$ per cwt	85.47	79.13	8.0%	62.62	36.5%		
K	Loin, Primal	$ per cwt	80.24	79.02	1.5%	66.02	21.5%		
	Belly, Primal	$ per cwt	157.41	157.84	-0.3%	68.39	130.2%		
	Trimmings, 72%, Fresh	$ per cwt	96.09	91.01	5.6%	58.02	65.6%		
C	Young Chicken Slaughter *	Million Head	95.9	163.9	-41.5%	169.96	-43.6%	5,965	-7.0%
H	Avg. Weight (RTC)	Lbs.	4.78	4.83	-0.9%	4.76	0.5%	1.00	0.0%
I	Young Chicken Production (RTC)	Million Lbs.	458.6	791.2	-42.0%	808.6	-43.3%	5,965	-7.0%
C	Eggs Set (US)	Million	231.4	237.1	-2.4%	239.4	-3.3%	13,915	-0.1%
K	Chicks Placed (US)	Million Head	183.3	185.7	-1.3%	190.3	-3.6%	11,098	-0.8%
E	National Composite Whole Bird	Composite	83.05	83.16	-0.1%	76.71	8.3%		
N	Northeast Breast, B/S	$ per cwt	141.02	133.53	5.6%	91.68	53.8%		
	Northeast Leg Quarters	$ per cwt	36.38	33.81	7.6%	37.64	-3.3%		
T	Total Turkey Slaughter *	Million Head	2.91	3.59	-18.8%	4.10	-29.0%	28.5	-10.2%
U	Avg. Weight (RTC)	Lbs.	28.14	27.32	3.0%	26.40	6.6%	27.05	0.3%
R	Turkey Production (RTC)	Million Lbs.	81.9	98.0	-16.4%	108.2	-24.3%	771	-9.9%
K	National Hen (8-12 Lbs)	$ per cwt	108.00	111.00	-2.7%	96.56	11.8%		
G	Corn, Omaha	$ per Bushel	5.36	5.32	0.7%	3.65	47.0%		
R	Distillers Grain, IA	$ per Ton	240.00	230.00	4.3%	143.50	67.2%		
A	Soybean, Cntrl IL	$ per Bushel	14.24	13.88	2.6%	9.00	58.1%		
I	Soybn Meal 48%, Cntrl IL	$ per Ton	422.60	424.40	-0.4%	305.10	38.5%		
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).

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!