Daily Livestock Report

Sponsored in part by CME Group

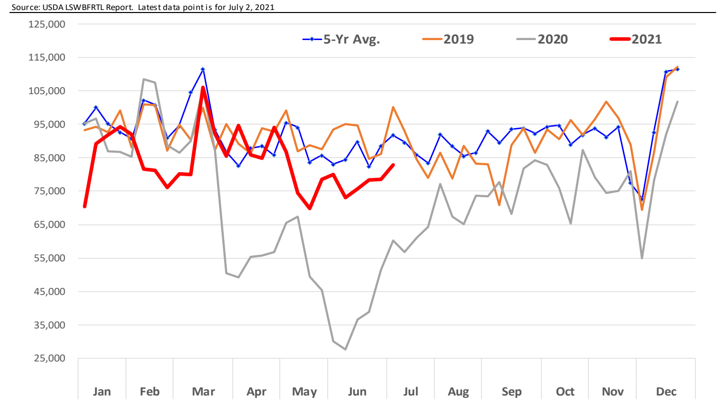
Vol. 19, No. 127 / July 6, 2021

High wholesale beef prices appear to have significantly impacted retail beef features in the last few weeks, including the July 4th weekend. For the week ending July 2, USDA pegged the beef retail activity index at 82,870, up sharply vs. the COVID impacted retail featuring a year ago but 17% lower than the comparable week in 2019 and 10% lower than the five year average. In the last four weeks, beef retail features have also been 10% lower than the five year average. In the week leading into July 4th weekend retailers focused on less expensive beef cuts in order to keep their margins in line as well as move volume through the retail case. Featuring activity for beef round cuts for the most current week was 7% higher than in 2019 and the feature price was 25% higher. Bottom round roasts and bottom round steaks were popular features, double the rate of features in 2019 while at the same time boasting a feature price that was 37% and 35% higher, respectively. Ground beef features were 17% lower than in 2019 while the average ground beef feature price was 11% higher. The choice beef cutout has declined by more than 16% since June 3 and 3/4 of the decline is due to lower prices for loin and rib cuts. Going into the latest holiday weekend, it appears that retailers significantly reduced features of loin cuts while raising prices. The number of loin features for the latest week was 325 lower than in 2019 while the average feature price was up 27%. In some case features were down by 70-80% while double digit price increases were quite common.

Pork retail feature activity for the latest holiday weekend performed much better than beef. The total pork retail feature index for the week ending July 2 was 166,010, 83% higher than the COVID impacted featuring activity in 2020 as well as 9% than in 2019 and 17% higher than the five year average. In the four weeks ending July 2, pork retail featuring activity averaged 9% above the five year average. Certain pork items presented significant value for retailers relative to other proteins and saw a significant jump in featuring activity. Features of loin cuts were up 62% compared to the saw week in 2019 while the average feature price was up 17%. Processed pork features were down 26%, however, while the average feature price was up 25%. Bacon prices are now at all time record levels although we will wait for the USDA monthly retail price data to confirm this. For the most current week, USDA pegged bacon features (the most popular processed pork feature) down 19% compared to 2019 while the average feature price was over $6/lb or 18% compared to 2019. Pork shoulders and ribs are popular items during this time of year but limited availability and lack of freezer suppliers have caused retailers to scale back on features of these products. Features of St Louis Style ribs were down 87% compared to 2019 while the average feature price was over $4 a pound, 51% higher than in 2019. Bone-in butt features were down 47% at a 16% higher price

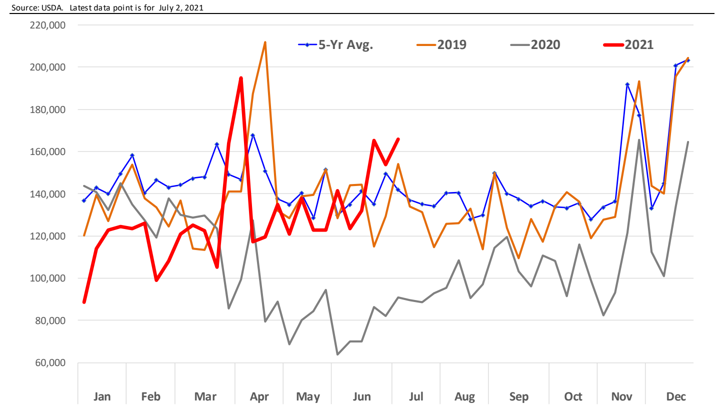
NATIONAL RETAIL BEEF FEATURE REPORT: ACTIVITY INDEX

Source: USDA LSWBFRTL Report. Latest data point is for July 2, 2021



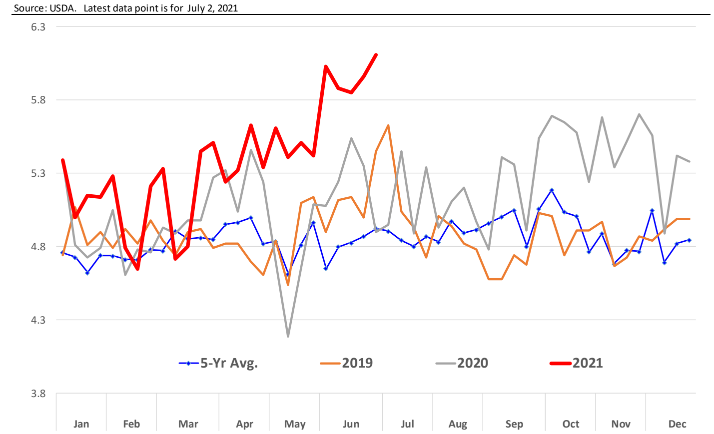
NATIONAL RETAIL PORK FEATURES REPORT: ACTIVITY INDEX

Source: USDA. Latest data point is for July 2, 2021



NATIONAL RETAIL PORK FEATURES REPORT: SLICED BACON, 1 LB PKG PRICE. USD/LB.

Source: USDA. Latest data point is for July 2, 2021



Vol. 19, No. 127 / July 6, 2021

PRODUCTION & WKLY AVG. PRICE SUMMARY — Week Ending 7/3/2021

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
			3-Jul-21	26-Jun-21		4-Jul-20			
	Total Beef, Pork, Chicken, Turkey	**mil lbs., cwe**	**1,917**	**1,962**	-2.31%	**1,819**	5.38%	**50,708**	1.3%
	FI Slaughter	Thou. Head	623	661	-5.75%	581	7.16%	14,080	5.8%
C	FI Cow Slaughter **	Thou. Head	128	125	2.99%	122	5.36%	3,173	3.7%
T	Avg. Dressed Weight	Lbs.	818	819	-0.12%	831	-1.56%	984	0.2%
T	Beef Production	Million Lbs.	508.3	540.2	-5.91%	481.8	5.50%	13,853	6.0%
L	Live Fed Steer Price	$ per cwt	123.82	125.47	-1.32%	94.87	30.52%		
E	Dressed Fed Steer Price	$ per cwt	198.14	197.98	0.08%	153.84	28.80%		
	Oklahoma Steer (600-700 lbs)	$ per cwt	157.34	157.48	-0.09%	142.86	10.13%		
&	Choice Beef Cutout	$ per cwt	290.83	312.20	-6.84%	206.54	40.81%		
	Hide/Offal	$ per cwt, live wt	12.76	12.80	-0.31%	6.94	83.86%		
B	Rib Primal, Choice	$ per cwt	397.31	474.03	-16.18%	336.87	17.94%		
E	Round Primal, Choice	$ per cwt	243.80	253.52	-3.83%	169.01	44.25%		
E	Chuck Primal, Choice	$ per cwt	238.86	244.65	-2.37%	168.65	41.63%		
F	Trimmings, 50%	$ per cwt	110.07	106.11	3.73%	54.52	101.89%		
	Trimmings, 90%	$ per cwt	280.68	278.04	0.95%	248.05	13.15%		
	FI Slaughter	Thou. Head	2,282	2,368	-3.63%	2,043	11.69%	55,571	1.8%
	FI Sow Slaughter **	Thou. Head	62.7	62.2	0.76%	64.3	-2.49%	1,553	-3.2%
H	Avg. Dressed Weight	Lbs.	213.0	214.0	-0.47%	212.0	0.47%	254	-0.1%
O	Pork Production	Million Lbs.	486.5	507	-4.04%	431.9	12.64%	14,115	1.7%
G	Iowa-S. Minn. Base	Wtd. Avg.	111.28	121.89	-8.70%	28.62	288.82%		
S	Natl. Base Carcass Price	Wtd. Avg.	105.35	108.35	-2.77%	50.21	109.82%		
	Natl. Net Carcass Price	Wtd. Avg.	107.73	110.66	-2.65%	52.00	107.17%		
	Natl. Early Wean Feeder	Wtd. Avg.	42.53	44.97	-5.43%	14.66	190.11%		
	Pork Cutout	205 Lbs.	114.80	111.89	2.60%	64.60	77.71%		
	Ham Primal	$ per cwt	91.75	78.37	17.07%	44.89	104.39%		
	Loin Primal	$ per cwt	107.22	109.95	-2.48%	66.55	61.11%		
	Belly Primal	$ per cwt	168.25	149.96	12.20%	91.25	84.38%		
	Trimmings, 72%, Fresh	$ per cwt	106.47	115.86	-8.10%	60.22	76.80%		
	Hog By-Product Value	$ per cwt, live wt	4.93	5.00	-1.40%	3.62	36.19%		
C	Young Chicken Slaughter *	Million Head	170.3	167.8	1.46%	164.8	3.34%	4,186	-1.9%
H	Avg. Weight (RTC)	Lbs.	4.86	4.85	0.31%	4.83	0.63%	6.36	1.0%
I	Young Chicken Production (RTC)	Million Lbs.	828.2	813.7	1.78%	796.4	3.99%	20,228	-0.9%
C	Eggs Set (19-state)	Million	238.1	239.9	-0.75%	234.7	1.46%	6,188	1.6%
K	Chicks Placed (19-state)	Million Head	188.0	188.0	0.00%	189.7	-0.92%	4,860	0.7%
E	National Composite Whole Bird	Composite	105.74	106.18	-0.41%	74.97	41.04%		
	Northeast Breast, B/S	$/cwt	184.65	192.05	-3.85%	119.53	54.48%		
	Northeast Leg Quarters	$/cwt	44.87	45.13	-0.58%	28.99	54.78%		
T	Total Turkey Slaughter *	Million Head	3.858	4.026	-4.17%	4.169	-7.46%	80.909	-6.2%
U	Avg. Weight (RTC)	Lbs.	24.26	25.08	-3.27%	26.07	-6.95%	32.57	0.0%
R	Turkey Production (RTC)	Million Lbs.	93.6	101.0	-7.31%	108.7	-13.89%	2,513	-6.3%
K	National Hen (8-12 lb)	8-16 Lbs.	124.40	125.71	-1.04%	108.00	15.19%		
G	Corn, Omaha	$ per Bushel	6.81	6.24	9.13%	3.27	108.26%		
R	Soybeans, Cntrl IL	$ per Bushel	14.68	13.86	5.92%	8.96	63.84%		
A	Soybn Meal 48%, Cntrl IL	$ per Bushel	353.40	365.30	-3.26%	296.70	19.11%		
I	Distillers Grain, IL	$ per Bushel	200.00	205.00	-2.44%	145.00	37.93%		

* 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