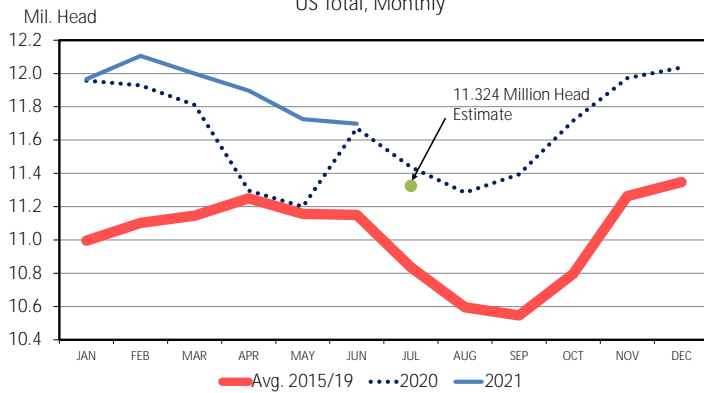


On Friday, July 23, 2021, USDA National Agricultural Statistics Service (NASS) will be releasing the July 1 Cattle on Feed Report. On the same day, USDA NASS will also be releasing the July 1 U.S. Cattle Inventory report. Industry analysts were surveyed prior to the release of both reports which this DLR will discuss.

CATTLE ON FEED
US Total, Monthly



Data Source: USDA-NASS
Livestock Marketing Information Center

Cattle on Feed Report: On average, cattle placements in June are estimated to be down 5.8% to 1.694 million head, which would be the lowest since 2016. The range of estimates for placements were wide which are expected to be down 3.2%-9.6%. Drought in the Western U.S. continues to be an issue and is likely leading to lighter weight cattle being placed early this year which could possibly be a greater factor during the third quarter. The average estimate for cattle marketed in June is expected to be up 2.3% to 2.014 million head. The range of pre-report estimates were down 0.4% to up 3.4% indicating analysts differ in the expected cattle marketings. The average pre-report estimate would be the highest June cattle marketed level in a decade (2011) when cattle marketings hit 2.070 million head. Industry analysts are expecting, on average, that the July 1 cattle on feed number will be down 1.0% from last year to 11.324 million head. The lowest July 1 cattle on feed inventory level in three years. The range of estimates was close with analysts expecting cattle on feed down 1.8% to 0.3%.

July 1 U.S. Cattle Inventory: The report will give a first look at this year's calf crop and give some insights into the current condition of the cow-calf sector. Average pre-report estimates

Cattle on Feed Industry Pre-Report Estimates

| | Pre-Report Average | Pre-Report Range |
|------------------|--------------------|------------------|
| On-Feed July 1 | 99.0 | 98.2 - 99.7 |
| Placed in June | 94.2 | 90.4 - 96.8 |
| Marketed in June | 102.3 | 99.6 - 103.4 |

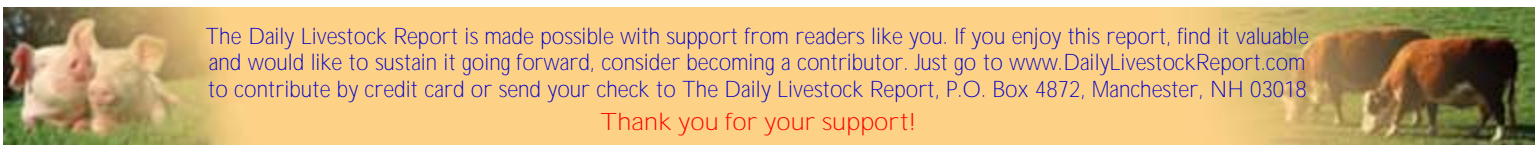
Pre-Report Source: Urner Barry (used with permission)

place all cattle and calves down 0.5% or 511,000 head to 101.689 million head, the lowest level in five years. Beef cows are expected to be down 1.1% to 31.697 million head with the range of estimates projected to be down 0.6% to 1.7%. Beef replacement heifers are expected to be down 1.0% to 4.356 million head with a range of flat to down 2.3%. Average estimates for steers 500 pounds and heavier and calves under 500 pounds are estimated to be down 0.4% and 0.5%, respectively, while bulls 500 pounds and heavier are each expected to be down 1.2%. Analysts estimates for the calf crop ranged from down 1.0% to up 0.5% with an average estimate of down 0.4% or 34.995 million head, the lowest since 2015.

USDA-NASS Cattle Pre-report Estimates

| | % of Year Ago | |
|---------------------------------------|---------------|--------------------|
| | Average | Range of Estimates |
| All Cattle & Calves Jul. 1 | 99.5 | 99.3 - 99.7 |
| Total Cows/Heifers Calved Jul. 1 | 99.3 | 98.9 - 99.6 |
| Beef Cows/Heifers | 98.9 | 98.3 - 99.4 |
| Dairy Cows/Heifers | 101.0 | 100.5 - 101.7 |
| Heifers 500 Pounds and Heavier Jul. 1 | 99.6 | 99.4 - 100 |
| Beef Replacement Heifers | 99.0 | 97.7 - 100 |
| Dairy Replacement Heifers | 100.1 | 98.8 - 101.3 |
| Other Heifers | 99.8 | 98.7 - 101.3 |
| Steers 500 Pounds and Heavier Jul. 1 | 99.6 | 99.3 - 99.7 |
| Bulls 500 Pounds and Heavier Jul. 1 | 98.8 | 95.2 - 100 |
| Calves Under 500 Pounds Jul. 1 | 99.5 | 99.3 - 99.6 |
| National Calf Crop | 99.6 | 99.0 - 100.5 |

Source: Urner Barry (used with permission)



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