

Before offering a brief recap of key numbers from the past week, a piece of breaking news that developed overnight and that may have a significant impact on the market. **A number of news sources report a fire at the JBS plant in Grand Island, Nebraska.** From what we gather, the fire is in the rendering section of the plant. We do not have any information as to how this may impact slaughter and fabrication operations. This is one of the top 10 largest cattle processing plants in the US, with a daily capacity of 6000 head. In August 2019, a fire at the Tyson plant in Finney County caused significant damage and caused the plant to be out of production for several months. This year, processing capacity has already been squeezed by COVID disruptions and labor availability and the industry can ill afford losing a big processing plant like this. Let's hope the issue is resolved without impact on human life and in short order, hopefully days rather than weeks and months.

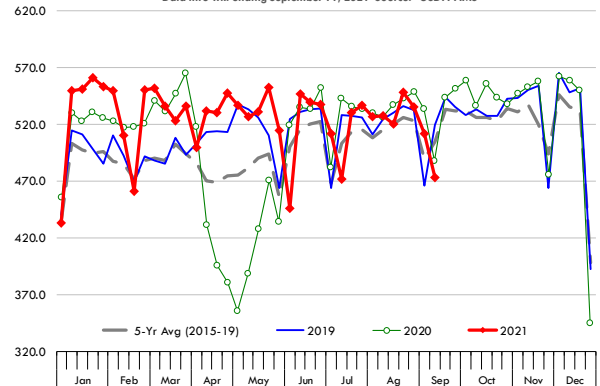
With plants closed last Monday due to the Labor Day holiday, cattle slaughter was estimated at 577k head, down from 624k the week before.

Saturday slaughter came in a bit under where we expected it but it was offset by a higher Friday slaughter number. We estimate fed cattle slaughter for last week at 455k head, down 29k head from the week before but slightly higher than the same holiday shortened week in 2020 and 2019. Supply availability should improve this week although it remains to be seen what impact the fire at the JBS plant will have. Cow and bull slaughter last week is estimated at 122k head, down from 140k the previous week but higher than 116k a year ago.

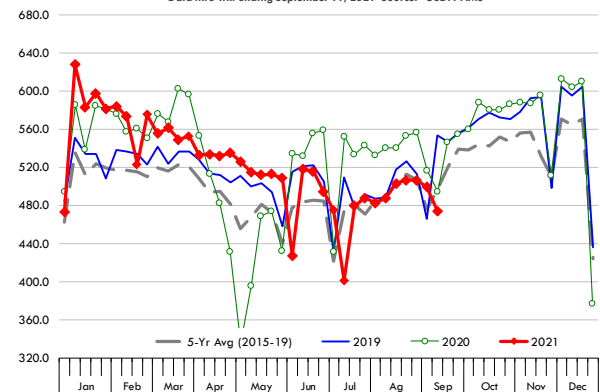
The choice beef cutout dropped by more than \$5/cwt, largely due to a sharp decline in the value of the loin primal, which declined some \$20/cwt (5%) from the previous day and it is now at the lowest level since early August. Other primals were also lower, the only exception being ribs. Boneless ribeye prices are now above the price of tenderloins as spot supply remains limited. Fat beef trim is starting to become more available and the price of 50CL beef dropped 10 cents to 133 on over 1 million pounds traded. The true test for 50CL beef will come this week as slaughter returns to a more normal flow. Ground beef prices remain firm, however, which suggests retail demand continues to be good in the near term.

Hog slaughter last week was 2.274 million, beating expectations. **Saturday slaughter was 370k head.** This compares to 411k head a year ago, when there was still a fairly large backlog of hogs and 358k for the comparable holiday shortened week in 2019. Given the seasonal trend, we should see hog slaughter and pork production trend higher in September and October. Expected higher supplies and concerns about export demand weighted on futures on Friday, as all contracts were down by more than 300 points. For the week ending September 7 CFTC reported that managed money funds reduced their net long fed cattle position by 15,167 contracts, they reduced their feeder cattle net long position by 4,733 contracts but increased their lean hog net long position by 961 contracts to 82,151 contracts. The fund net long position has increased by a little over 8k contracts since early August. It will be interesting to see if the next report reveals any significant changes based on Friday's trade.

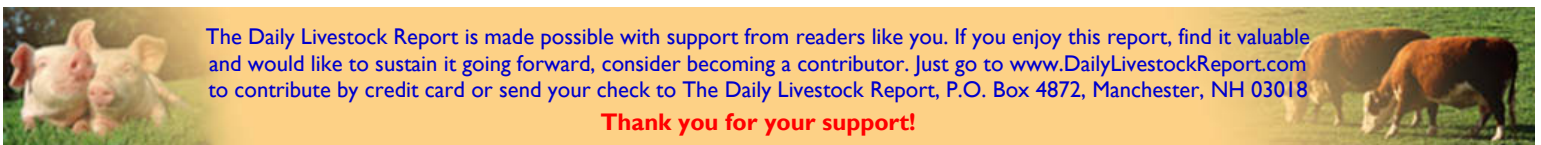
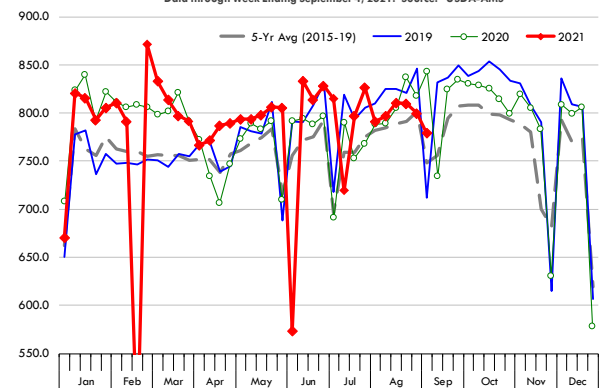
US WEEKLY BEEF PRODUCTION, MILLION LB., CARCASS WT.
Data thru wk. ending September 11, 2021 Source: USDA-AMS



US WEEKLY PORK PRODUCTION, MILLION POUNDS, CWE
Data thru wk. ending September 11, 2021 Source: USDA-AMS



US WEEKLY BROILER PRODUCTION, MILLION POUNDS, RTC
Data through Week Ending September 4, 2021. Source: USDA-AMS



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 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.

PRODUCTION & WKLY AVG. PRICE SUMMARY

Week Ending **9/11/2021**

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
		11-Sep-21	4-Sep-21		12-Sep-20			
Total Beef, Pork, Chicken, Turkey	mil lbs., cwe	1,818	1,909	-4.76%	1,927	-5.68%	69,605	-0.1%
C FI Slaughter	Thou. Head	577	624	-7.53%	581	-0.64%	23,043	3.8%
C FI Cow Slaughter **	Thou. Head	131	130	1.45%	115	14.77%	4,432	5.8%
T Avg. Dressed Weight	Lbs.	822	821	0.12%	843	-2.49%	826	-0.2%
T Beef Production	Million Lbs.	473.2	511.4	-7.47%	488.0	-3.03%	19,033	3.5%
L Live Fed Steer Price	\$ per cwt	124.73	125.61	-0.70%	101.21	23.24%		
E Dressed Fed Steer Price	\$ per cwt	200.81	201.79	-0.49%	160.66	24.99%		
Oklahoma Steer (600-700 lbs)	\$ per cwt	N/A	161.93	N/A	N/A	N/A		
& Choice Beef Cutout	\$ per cwt	332.46	339.54	-2.09%	222.12	49.68%		
Hide/Offal	\$ per cwt, live wt	15.31	15.42	-0.71%	7.89	94.04%		
B Rib Primal, Choice	\$ per cwt	609.10	599.44	1.61%	372.55	63.49%		
E Round Primal, Choice	\$ per cwt	258.42	268.54	-3.77%	173.97	48.54%		
E Chuck Primal, Choice	\$ per cwt	265.28	271.50	-2.29%	174.39	52.12%		
F Trimmings, 50%	\$ per cwt	138.56	144.24	-3.94%	41.31	235.42%		
Trimmings, 90%	\$ per cwt	278.37	278.26	0.04%	223.86	24.35%		
FI Slaughter	Thou. Head	2,274	2,391	-4.89%	2,334	-2.58%	88,190	-1.7%
FI Sow Slaughter **	Thou. Head	59.8	57.8	3.47%	65.1	-8.18%	2,128	-5.0%
H Avg. Dressed Weight	Lbs.	209.0	209.0	0.00%	212.0	-1.42%	215	0.1%
O Pork Production	Million Lbs.	474.4	499.6	-5.04%	494.9	-4.14%	18,923	-1.7%
G Iowa-S. Minn. Base	Wtd. Avg.	88.46	91.29	-3.10%	50.84	74.00%		
S Natl. Base Carcass Price	Wtd. Avg.	93.86	96.27	-2.50%	62.10	51.14%		
Natl. Net Carcass Price	Wtd. Avg.	96.03	98.61	-2.62%	64.25	49.46%		
Natl. Early Wean Feeder	Wtd. Avg.	46.47	46.07	0.87%	26.76	73.65%		
Pork Cutout	205 Lbs.	107.47	108.54	-0.99%	80.79	33.02%		
Ham Primal	\$ per cwt	82.75	80.74	2.49%	75.38	9.78%		
Loin Primal	\$ per cwt	111.52	113.48	-1.73%	70.67	57.80%		
Belly Primal	\$ per cwt	163.26	162.91	0.21%	130.81	24.81%		
Trimmings, 72%, Fresh	\$ per cwt	109.17	105.59	3.39%	84.41	29.33%		
Hog By-Product Value	\$ per cwt, live wt	5.37	5.50	-2.36%	4.05	32.59%		
C Young Chicken Slaughter *	Million Head	161.3	167.8	-3.83%	173.9	-7.20%	5,834	-1.5%
H Avg. Weight (RTC)	Lbs.	4.83	4.77	1.28%	4.85	-0.47%	6.35	1.1%
I Young Chicken Production (RTC)	Million Lbs.	778.6	799.5	-2.60%	843.0	-7.63%	28,170	-0.4%
C Eggs Set (19-state)	Million	236.1	238.7	-1.09%	231.5	1.96%	8,571	2.1%
K Chicks Placed (19-state)	Million Head	185.3	185.8	-0.31%	186.3	-0.54%	6,723	0.4%
E National Composite Whole Bird	Composite	105.78	105.23	0.52%	63.90	65.54%		
Northeast Breast, B/S	\$/cwt	208.73	202.94	2.85%	103.92	100.86%		
Northeast Leg Quarters	\$/cwt	41.76	41.33	1.04%	21.79	91.65%		
T Total Turkey Slaughter *	Million Head	3.756	3.992	-5.91%	4.088	-8.12%	134,547	-6.4%
U Avg. Weight (RTC)	Lbs.	24.42	24.62	-0.82%	24.83	-1.67%	32.20	-0.2%
R Turkey Production (RTC)	Million Lbs.	91.7	98.3	-6.68%	101.5	-9.65%	3,480	-6.7%
K National Hen (8-12 lb)	8-16 Lbs.	NQ	NQ	N/A	112.00	N/A		
G Corn, Omaha	\$ per Bushel	5.65	5.86	-3.58%	3.54	59.60%		
R Soybeans, Cntrl IL	\$ per Bushel	12.70	12.89	-1.47%	9.84	29.07%		
A Soybn Meal 48%, Cntrl IL	\$ per Bushel	340.80	350.75	-2.84%	310.70	9.69%		
I Distillers Grain, IL	\$ per Bushel	197.50	202.50	-2.47%	158.50	24.61%		

* 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

