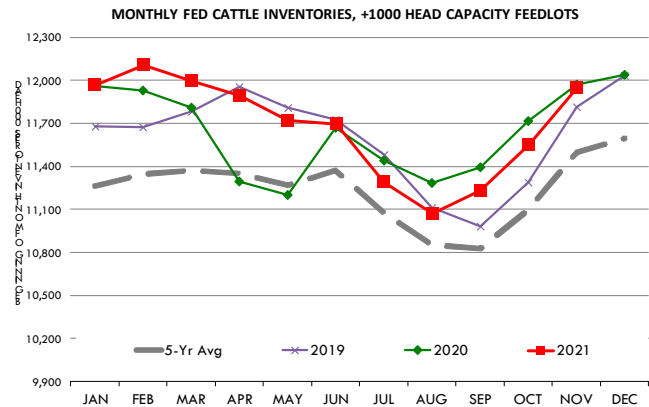


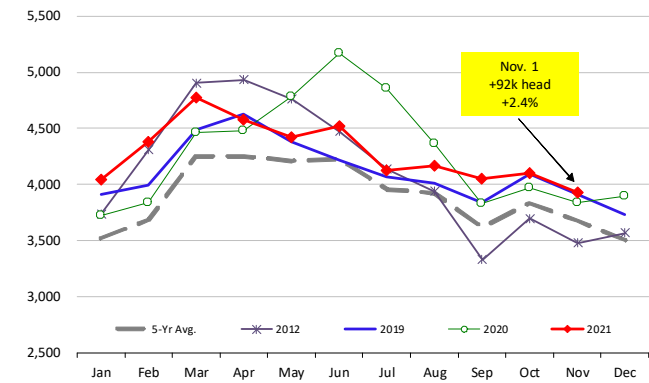
The total inventory of cattle on feed as of November 1 was estimated at 11.948 million head, 398k head higher than the previous month but 25k head or 0.2% lower than the previous year. Analysts polled ahead of the report expected the inventory to be 0.3% lower. The inventory of cattle that have been on feed for more than 120 days is estimated at 3.929 million head, 2.4% higher than a year ago and 252k head or 6.8% higher than the five year average. The inventory of cattle with +150 days on feed is calculated at 2.316 million head, 10.2% higher than year ago and 15% higher than the five year average. Fed cattle futures have shown some improvement in recent weeks as packers sought to bolster cattle supplies ahead of the holidays. Market ready supply remains adequate in the near term and based on the latest inventory numbers the upside for December is somewhat limited. We think that's the reason why December futures are not far from current cash prices.

The latest USDA survey pegged the number of cattle placed on feed at 2.245 million head, 2.4% higher than a year ago. This is almost exactly the same as the average of analyst estimates ahead of the report. Why did placements increase when all along we have been saying that the lower calf crop in the last two years will limit cattle slaughter? It has largely to do with what happened last year, as well as what took place in the previous two months. Normally October sees the largest number of cattle placed on feed as producers pull calves from grazing and send them to be finished in a feedlot. Good spring demand is another factor for starting to finish more cattle in feedlots during fall months. Last year October placements were counter seasonally lower, down 1.6% from September. Since 2000, there has been only one other October with lower placements. On average October placements since 2000 have increased 11.6%. The latest USDA survey had October placements up 4.3%. Feeder cattle sales in the country also indicated that more cattle moved into feedlots in October compared to 2020 but they were still lower than in 2019. As we look at the structure of placements, the biggest increase was in the 800-899 group, up 35k head from a year ago. Combined with ample supplies of market ready cattle, we think this may narrow the spread between Dec and Feb cattle. That spread has increased to over \$4 in the last few days but it may come under pressure again if packers are not able to process cattle in a timely fashion. Nebraska saw the biggest y/y increase in placements, up 65k head or 12% from a year ago. Again, this is more a function of how low placements were last year than a material shift in cattle supplies.

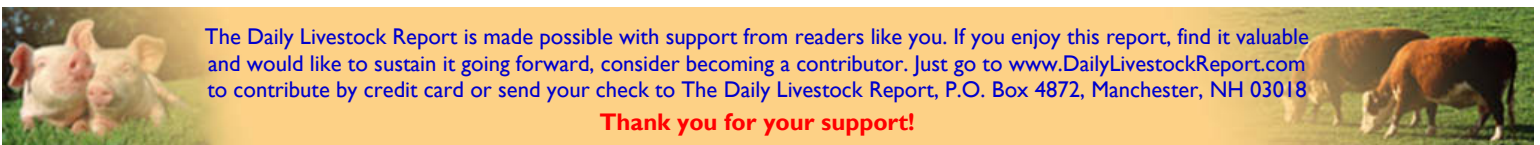
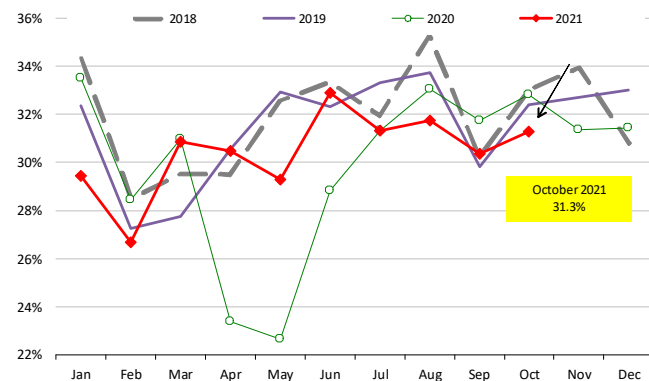
Marketings in October were 1.788 million head, down 4.5% vs. year ago and in line with analyst expectations. There was one less marketing day in October, which reduced marketings when compared to both 2020 and 2021. The inventory turnover rate (ratio of marketings vs. +90day inventory) was 31.3% in October. This is similar to the turnover rate of the last few months and well below year ago and five year average. This inability of packers to process cattle in a timely fashion remains the main challenge for the cattle market at this time. We expect to see an improvement in the marketing rate in November but holiday disruptions will negatively impact marketings next month.



**INVENTORY OF CATTLE THAT HAVE BEEN ON FEED FOR 120 DAYS OR MORE**  
Calculated using the USDA Monthly "Cattle on Feed" Report



**FEEDLOT TURN-OVER RATE (MARKETINGS VS. +90 DAY INVENTORY)**  
Calculated using USDA Monthly "Cattle on Feed" Survey Data



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## PRODUCTION & WKLY AVG. PRICE SUMMARY

Week Ending **11/20/2021**

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-Nov-21	13-Nov-21		21-Nov-20			
<b>Total Beef, Pork, Chicken, Turkey</b>	<b>mil lbs., cwe</b>	<b>2,039</b>	<b>2,016</b>	<b>1.16%</b>	<b>2,067</b>	<b>-1.35%</b>	<b>89,681</b>	<b>-0.4%</b>
<b>C</b> Fl Slaughter	Thou. Head	677	655	3.36%	666	1.61%	29,588	3.0%
<b>C</b> Fl Cow Slaughter **	Thou. Head	136	137	-0.78%	131	4.25%	5,734	5.8%
<b>T</b> Avg. Dressed Weight	Lbs.	832	833	-0.12%	839	-0.83%	827	-0.4%
<b>T</b> Beef Production	Million Lbs.	562.0	544.5	3.21%	557.7	0.77%	24,474	2.5%
<b>L</b> Live Fed Steer Price	\$ per cwt	133.01	131.47	1.17%	109.57	21.39%		
<b>E</b> Dressed Fed Steer Price	\$ per cwt	209.59	206.58	1.46%	171.70	22.07%		
Oklahoma Steer (600-700 lbs)	\$ per cwt	161.25	159.68	0.99%	140.50	14.76%		
<b>&amp;</b> Choice Beef Cutout	\$ per cwt	279.67	286.28	-2.31%	234.51	19.26%		
Hide/Offal	\$ per cwt, live wt	16.30	16.53	-1.39%	8.60	89.53%		
<b>B</b> Rib Primal, Choice	\$ per cwt	462.04	489.80	-5.67%	463.38	-0.29%		
<b>E</b> Round Primal, Choice	\$ per cwt	244.10	252.20	-3.21%	192.03	27.12%		
<b>E</b> Chuck Primal, Choice	\$ per cwt	231.24	235.51	-1.81%	193.88	19.27%		
<b>F</b> Trimmings, 50%	\$ per cwt	92.44	95.26	-2.96%	41.29	123.88%		
Trimmings, 90%	\$ per cwt	276.74	276.12	0.22%	200.93	37.73%		
<b>H</b> Fl Slaughter	Thou. Head	2,635	2,614	0.80%	2,727	-3.37%	114,051	-2.1%
<b>H</b> Fl Sow Slaughter **	Thou. Head	60.6	57.9	4.64%	66.9	-9.39%	2,710	-5.7%
<b>H</b> Avg. Dressed Weight	Lbs.	215.0	214.0	0.47%	219.0	-1.83%	214	-0.2%
<b>O</b> Pork Production	Million Lbs.	566.7	560.8	1.05%	596	-4.92%	24,450	-2.3%
<b>G</b> Iowa-S. Minn. Base	Wtd. Avg.	56.64	58.47	-3.13%	58.77	-3.62%		
<b>S</b> Natl. Base Carcass Price	Wtd. Avg.	75.23	76.80	-2.04%	66.86	12.52%		
Natl. Net Carcass Price	Wtd. Avg.	76.91	78.47	-1.99%	68.58	12.15%		
Natl. Early Wean Feeder	Wtd. Avg.	50.89	50.97	-0.16%	38.55	32.01%		
Pork Cutout	205 Lbs.	89.15	93.70	-4.86%	78.96	12.91%		
Ham Primal	\$ per cwt	78.48	74.83	4.88%	77.51	1.25%		
Loin Primal	\$ per cwt	85.24	86.81	-1.81%	72.24	18.00%		
Belly Primal	\$ per cwt	127.16	155.31	-18.13%	93.02	36.70%		
Trimmings, 72%, Fresh	\$ per cwt	74.21	85.85	-13.56%	76.88	-3.47%		
Hog By-Product Value	\$ per cwt, live wt	5.08	5.09	-0.20%	4.40	15.45%		
<b>C</b> Young Chicken Slaughter *	Million Head	165.4	164.6	0.50%	166.8	-0.81%	7,486	-1.3%
<b>H</b> Avg. Weight (RTC)	Lbs.	4.85	4.87	-0.47%	4.83	0.47%	6.37	0.9%
<b>I</b> Young Chicken Production (RTC)	Million Lbs.	802.0	801.8	0.02%	804.8	-0.35%	36,244	-0.4%
<b>C</b> Eggs Set (19-state)	Million	233.4	235.9	-1.05%	224.2	4.12%	10,893	2.5%
<b>K</b> Chicks Placed (19-state)	Million Head	177.8	178.5	-0.41%	175.1	1.55%	8,529	0.3%
<b>E</b> National Composite Whole Bird	Composite	105.72	102.89	2.75%	80.05	32.07%		
Northeast Breast, B/S	\$/cwt	182.23	180.05	1.21%	90.46	101.45%		
Northeast Leg Quarters	\$/cwt	34.85	36.39	-4.23%	25.39	37.26%		
<b>T</b> Total Turkey Slaughter *	Million Head	4.655	4.61	0.98%	4.89	-4.81%	176.447	-5.8%
<b>U</b> Avg. Weight (RTC)	Lbs.	23.31	23.57	-1.09%	22.20	5.01%	31.89	0.3%
<b>R</b> Turkey Production (RTC)	Million Lbs.	108.5	108.7	-0.13%	108.6	-0.03%	4,513	-5.7%
<b>K</b> National Hen (8-12 lb)	8-16 Lbs.	134.71	135.67	-0.71%	106.10	26.97%		
<b>G</b> Corn, Omaha	\$ per Bushel	5.60	5.64	-0.71%	4.19	33.65%		
<b>R</b> Soybeans, Cntrl IL	\$ per Bushel	12.79	12.50	2.32%	11.85	7.93%		
<b>A</b> Soybn Meal 48%, Cntrl IL	\$ per Bushel	374.00	350.00	6.86%	391.70	-4.52%		
<b>I</b> Distillers Grain, IL	\$ per Bushel	202.50	192.50	5.19%	192.50	5.19%		

\* 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

