

Cattle and hog sectors await two key reports that will be released December 23rd by USDA NASS: Cattle on Feed and the December Quarterly Hogs and Pigs report. Pre-report analysis was released yesterday for both by industry experts.

Quarterly Hogs and Pigs: Pre-report expectations appear bullish ahead of the report with a nearly 3% decline in market hogs from a year ago. The range was fairly wide 96%- 99.1% but the consensus is that market hog supplies are smaller. Front end supplies of market hogs as indicated by the weight categories are expected to be smaller than lighter weight hog categories. Average analyst expectations fairly similar percentages, but the ranges suggest the most discrepancy in opinion over the under 50 pound category which had a 5.8% spread from the low estimate to the high estimate. No analysts put any market hog weight groups above a year ago.

The breeding herd is expected to be very similar to a year ago. Analysts were on both sides of down slightly to up slightly with about a 1% spread between the two. Sow farrowing figures showed an expectation of smaller sows farrowed in the previous quarter (Sep-Nov), but that pigs per litter is expected to rebound

Quarterly Hogs & Pigs, Pre Report Estimates		
	% of Year Ago	
	Average	Range of Estimates
All hogs and pigs Dec 1	97.2	96.2 - 99.1
Kept for breeding	100.1	99.6 - 100.5
Kept for marketing	97.1	96.0 - 99.1
Sep-Nov pig crop	97.3	96.1 - 99.4
Sep-Nov pigs per litter	100.5	100.0 - 100.9
Sep-Nov farrowings	96.9	95.8 - 99.0
Dec-Feb farrowing intentions	100.8	100.3 - 101.5
Mar-May farrowing intentions	100.2	98.3 - 102.2
Hogs weighing under 50 lbs	97.1	94.2 - 100.0
Hogs weighing 50-119 lbs	97.3	94.8 - 99.5
Hogs weighing 120-179 lbs	96.2	94.0 - 98.1
Hogs weighing 180 and over	97.0	95.3 - 98.2

Source: Urner Barry (used with permission)

Cattle on Feed Industry Pre-Report Estimates

	Pre-Report Average	Pre-Report Range
On-Feed December 1	99.8	98.5 - 103.1
Placed in November	103.8	96.4 - 106.7
Marketed in November	104.5	104.3 - 105.0

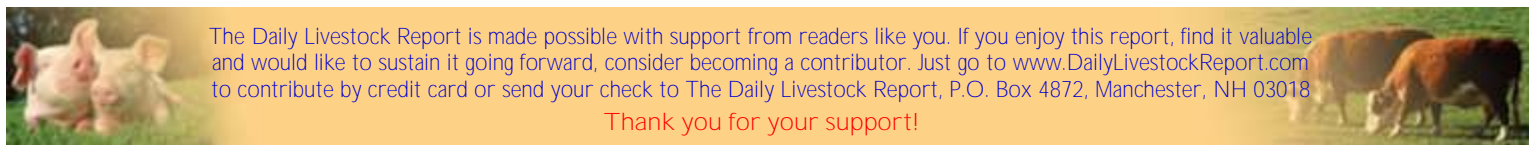
Pre-Report Source: Urner Barry (used with permission)

relative to last year. Analysts largely agreed that farrowing intentions in the next two quarters will be above a year ago. The Dec-Feb quarter average pre-report estimate was up 0.8% from last year, and Mar-May is expected to increase 0.2%. Mar-May estimates are more conflicted, with a 4% spread between top and bottom estimates and analysts are on both sides of 2020's figure.

Cattle on Feed: Cattle on feed estimates indicated analysts were divided in expectations for the December 1 on feed outlook. Analysts were both above and below a year ago in placements and the on-feed number. Marketed expectations were similar, up 4.5%

on average, factoring one additional slaughter day. Pre-report expectations for placements showed an average of up 3.8%, which would mean another fairly large placement number. The range however, showed about a 10% spread between the lowest estimate and the highest. The diversity in placement expectations factored into the on-feed range which had just under a 4% spread, and an average of 99.8% of a year ago.

Typically November placements see a sharp decline from the previous month. Since 1996 that decline has averaged 575 thousand head. The last several years have shown smaller declines, or less seasonality in the placements at this time of year. The last five years, 2020-2016, only averaged a 306 thousand head decline in placements in November from the October placement number. The average estimate above would be just under that 5 year decline at 269 thousand, while either end of range would show a 215 thousand head decline if placements were up 6.7% or a 410 head decline at the low end of the range expecting a 3.6% decline in placements.



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