

The Cattle Range



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Weekly Market Summary

For the week ending January 4, 2019

For the week... Due to light sale receipts, prices for feeder cattle and stocker calves not fully established. The CME Feeder Cattle Index closed \$1.66 lower. Live cattle futures were \$1.40 to \$2.40 lower in the front months while feeder cattle futures were \$3.55 to \$4.17 lower. Slaughter cattle traded at \$123, steady with last Friday evening's trade. Dressed beef closed steady with last week, but was nearly \$2 lower compared to Thursday of this week.

10 Day Market Trendline



Change from Previous Day: **-1.26%**
 Change from 10 Days Ago: **+0.55%**
 Change from 60 Days Ago: **-1.15%**

60 Day Market Trendline



Trendlines track the daily market values for the past 10 & 60 days. Each value is the weighted total of the Gain/(Loss) for 12 major market factors compared to the previous trading day.

- [Click Here](#) to receive the WMS on Saturday mornings or have it sent to friends & associates.

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Links to the articles below are included because we found them to be of interest but their content does not necessarily reflect the views of The Cattle Range.

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- [Impact of China's Economic Slowdown on Global Meat Markets](#) ▯
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- [BPI Can Call Lean Finely Textured Beef "Ground Beef"](#) ▯
- [Strong Holiday Demand for Beef](#) ▯
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Weekly Market Overview:

	This Week	Last Week	1 Month Ago	1 Year Ago	5 Yr. Avg.
CME Feeder Index	145.60	147.26	145.53	155.20	169.32

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Live Cattle Futures	This Week	Last Week	1 Month Ago	1 Year Ago	5 Yr. Avg.
February	121.92	124.17	121.52	120.85	129.85
April	124.00	126.40	123.62	112.32	128.40
June	115.55	116.95	123.62	112.32	127.39

Feeder Futures	This Week	Last Week	1 Month Ago	1 Year Ago	5 Yr. Avg.
January	144.90	149.07	144.37	146.62	167.87
March	142.82	146.87	141.87	141.97	166.72
April	143.65	147.20	142.52	142.35	166.05

Slaughter Cattle	This Week	Last Week	1 Month Ago	1 Year Ago	5 Yr. Avg.
S. Central	123.00	123.00	118.00	122.00	132.39
N. Central - Dressed	195.00	195.00	185.00	193.00	209.94

Feedyard Closeout	This Week	Last Week	1 Month Ago	1 Year Ago	5 Yr. Avg.
Current	18.40	21.59	0.88	23.06	(15.69)
Future (Projected)	(40.53)	(25.39)	(34.68)	(126.86)	(57.70)

Boxed Beef Cutout	This Week	Last Week	1 Month Ago	1 Year Ago	5 Yr. Avg.
Choice	214.51	214.41	214.29	209.51	220.92
Select	207.66	207.52	200.50	202.32	210.97
Spread	6.85	6.89	13.79	7.19	9.95

Cutter Cow Cut-Out	This Week	Last Week	1 Month Ago	1 Year Ago	5 Yr. Avg.
	156.49	155.52	155.56	169.42	187.73

Crude Oil Futures	This Week	Last Week	1 Month Ago	1 Year Ago	5 Yr. Avg.
	47.96	45.33	52.61	61.44	60.19



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National Feeder & Stocker Cattle Weekly Summary:

RECEIPTS:	Auctions	Direct	Video/Internet	Total
This Week	79,300	23,200	7,400	109,900
2 Weeks Ago	183,800	16,900	4,000	204,700
Last Year	116,000	21,400	5,600	143,000

Compared to two weeks ago, steers under 700 pounds were mostly 1.00-4.00 higher, instances up to 9.00 higher in Nebraska; steers over 700 pounds moved at price points that were steady to 4.00 lower. The Southeastern region saw sharply higher prices on all classes, due to good demand and very light receipts. Muddy pen conditions as temperatures increased in the North and rain and snow in the South have caused concerns, especially on the placements of heavier weight cattle. This week's receipts across the country were hindered for several reasons. Not all markets were operational this week, due to the holiday interruptions early week; heavy rains throughout the Southeast and winter storms on much of the North Central and South Center regions.

Majority of the fed cattle trade this week took place on Thursday, with the bulk of live sales in the Southern Plains and Nebraska trading steady at 123.00. Late Friday morning, light dressed trade evolved in Nebraska at prices were steady compared to last week at 195.00. Poor feedlot conditions have continued to plague most feeding regions, lowering cattle performance. Boxed beef cutout values were firm to higher on Choice and higher on Select. The volume reported this week was slightly more than last week. On the Choice side, rib cuts were steady to weak while all other cuts firm to higher. Ground beef prices were slightly higher this week on lighter volume. Forward negotiated sales remain light but mostly steady when compared to last week. Beef trimmings were higher on moderate to good demand and light to moderate offerings. May you have a very blessed New Year! Auction volume this week included 68 percent weighing over 600 lbs and 38 percent heifers.

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Feeder & Stocker Cattle: Sales receipts too light to establish accurate average prices.

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Feeder & Stocker Cattle Weekly Receipts:

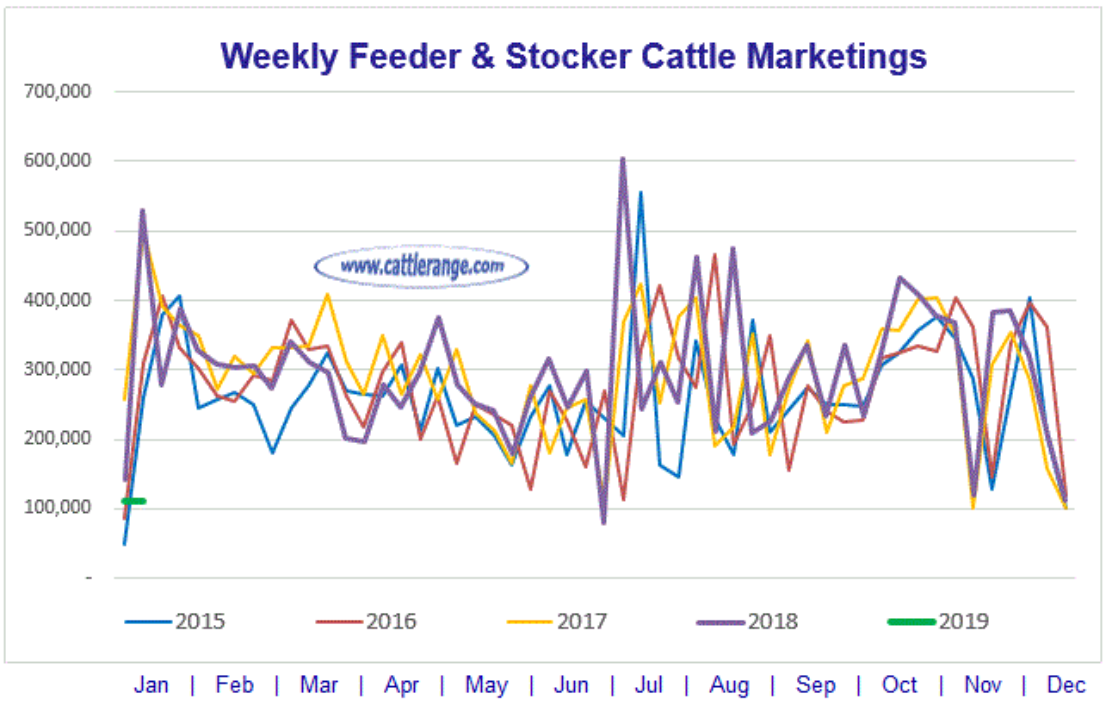
Sold via auctions, direct country sales, and video/Internet sales.

Sold via:	This Week	2 Weeks Ago	1 Year Ago	2 Years Ago	3 Years Ago
Auctions	79,300	183,800	116,000	211,700	60,400
Direct Sales	23,200	16,900	21,400	44,100	15,600
Video/Internet	7,400	4,000	5,600	2,500	9,200
Total	109,900	204,700	143,000	258,300	85,200
This Week +/-	-	-46.3%	-23.1%	-57.5%	29.0%

Weekly Receipts... Year to Date

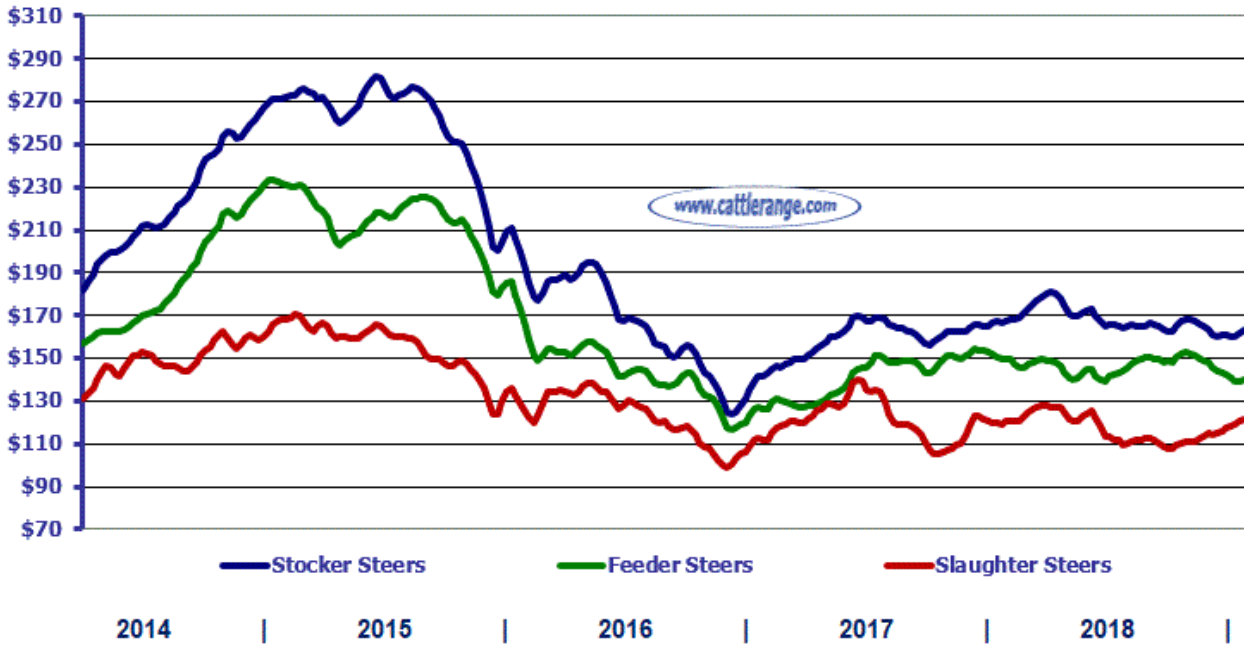


Year	2015	2016	2017	2018	2019
Year to Date	47,500	85,200	258,300	143,000	109,900



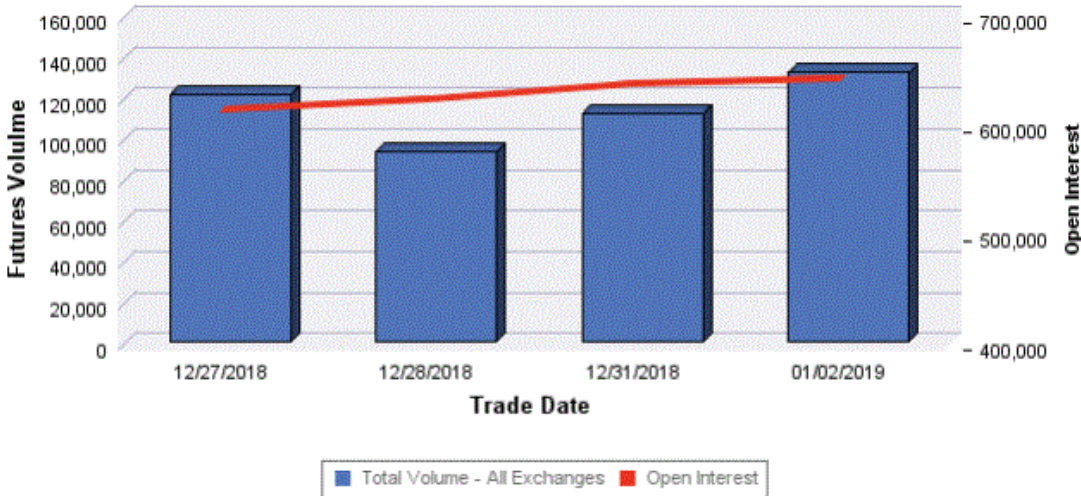
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5 Year Moving Average... Stocker, Feeder & Slaughter Steers



Cattle Futures: Charts of Commitment of Traders

Livestock Volume & Open Interest: Last 5 Trade Days



Trade Date	Futures Volume
12/27/2018	120,653
12/28/2018	92,794
12/31/2018	111,509
01/02/2019	131,382

Trade Date	Futures Open Interest
12/27/2018	619,266
12/28/2018	629,369
12/31/2018	642,158
01/02/2019	647,432

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Mexican Feeder Cattle Weekly Import Summary

Report Unavailable

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Selected Auction Reports... [Click Link to view entire report](#)

Tulia Livestock Auction - Tulia TX

Receipts: 671 Two Weeks Ago: 1697 Year Ago: 1356

Compared to two weeks ago: Feeder steers and heifers sold steady to instances 5.00 lower on a light test. Trade activity was light to moderate on moderate demand. Local wheat pastures are in good condition from recent snow and rain. Slaughter cows and bulls sold steady on a light test. Slaughter cows and bulls made up 3 percent, 1 percent replacements, 96 percent feeders. Feeder supply consisted of 64 percent steers and bulls, 36 percent heifers. Approximately 89 percent of the run weighed over 600 lbs.

Mitchell Livestock Wtd Avg Report - Mitchell SD

Receipts: 5797 Last Auction: 4490 Year Ago: 5426

Compared to two weeks ago: Feeder steers under 550 lbs 3.00 to 5.00 higher, 550 to 950 lbs 3.00 to 6.00 lower with instances of steady to 2.00 lower, over 950 lbs steady to 3.00 lower. Feeder heifers under 600 lbs 2.00 to 3.00 higher, 600 to 750 lbs 2.00 to 6.00 lower, and over 750 lbs steady to 3.00 lower. Good demand for this large offering of very attractive feeders. Flesh condition more attractive this week as cattle have endured two winter storms in the last week which caused them to green up.

Cattleman's Livestock Auction - Dalhart, TX

Cattle and Calves: 725 Two Weeks ago: 2051 Year Ago: 1695

Compared to two weeks ago: Steer and heifer calves firm in a very light test. No feeder steers or heifers were on offer. The limited supplies on offer were mostly long weaned steer and heifer calves. Slaughter cows 1.00-2.00 lower. Slaughter bulls not well tested. Trade and demand moderate. Bulk of supply Medium and Large 1-2 450-675 lb feeder steers and heifers. Slaughter cows made up 62 percent, slaughter bulls less than 1 percent, replacement cows less than 1 percent, and feeders 38 percent. The feeder supply included 62 percent steers and 38 percent heifers. Near 60 percent of the run weighed over 600 lbs.

Pratt Livestock Feeder Cattle Auction - Pratt, KS

Receipts: 2522 Two Weeks Ago: 2956 Year Ago: 2561

Close Compared to two weeks ago: Feeder steers 750-850 lbs sold mostly 3.00 higher, 850-900 lbs sold 2.00 to 4.00 lower. Feeder heifers very few comparable weights. Using a limited test, 700-750 lbs steady to 2.00 higher, 800-850 lbs 3.00 higher. Steer and heifer calves not enough comparable weights for a market test. Overall, demand moderate to good, quality mostly average to attractive. Slaughter cows sold steady to 1.00 higher. Not enough bulls for a market test. Feeder supply was 71 percent steers, 29 percent heifers, with 95 percent over 600 lbs.

Joplin Regional Stockyards Feeder Cattle Wtd Avg - Carthage MO

Receipts	Week Ago	Year Ago
6,671		5,950

****CLOSE***No recent Special Value Added sale for a price comparison, compared to the regular feeder cattle sale two weeks ago, steers and heifers steady to 5.00 higher except 450 to 525 lb steers 6.00 to 10.00 higher. Demand moderate to good, supply moderate. Feeder Cattle futures closed with triple digit losses and the Dow down over 600 points. Calves are weaned forty five days or more, on a vaccination program, and heifers are guaranteed open. The bulk of the offering in medium plus to fleshy condition. Feeder cattle supply included 62 percent Steers, and 38 percent Heifers. Feeder cattle supply over 600 lbs was 69 percent.

Valentine Livestock Auction Market - Valentine NE

Receipts: 3500 Two weeks ago: 3825 Last year: 4043

A limited number of comparable offerings from two weeks ago with 500 lbs steers trading steady and 600 to 650 lbs steers trading 6.00 to 10.00 lower.No comparable offerings today for heifers. Demand was good

with several buyers, and high internet activity. Feeders made up 100 percent of the offering. The feeder supply included 89 percent steers, and 21 percent heifers. Near 83 percent of the run weighed over 600 lbs. Next Auction Dates for January 11th, 18th and 25th.

Okeechobee Livestock Auction – Okeechobee FL

Receipts	Last Reported	Year Ago	(12/18/2018)
496	906	0	

Special cow and bull sale.

Athens Cattle Auction - Athens TN

Receipts: 842 Last week: no sale Last year: not reported

No comparisons available due to no sale last week in observance of the holiday, however, market trends will be available next week. Feeder: 269 Slaughter: 359 Replacement: 214

Farmers & Ranchers Livestock Commission Co. - Salina KS

Receipts: 3367 Last Week: No Sale Year Ago: 4187

First Thursday sale after the Holiday Break. Steers 850-1000 lbs 3.00-5.00 lower; 700-850 lbs 1.00-2.00 higher; 700 lbs and under higher undertone while heifers were considerably lower than the last sale of the year, Dec 22, 2018. Trade and demand moderate. Feeder supply 63 percent steers and 37 percent heifers, with 89 percent 600 lbs and over.

Huss Platte Valley Auction - Kearney NE

Receipts: 3264 Two Weeks Ago: 5110 Year Ago: 4533

Compared to two weeks flat 600 lbs steers sold 5.00 higher, 700-800 lbs steers sold steady to 2.00 higher, over 800 lbs sold 5.00 lower. Heifers sold unevenly steady. With pens in poor shape across the trade area buyers didn't bulk at the auction on Wednesday. Bidding was active throughout the sale. Offering comprised of 64 percent steers with near 94 percent over 600 lbs. Next Wednesday January 9th, Special calf and feeder auction.

Denison Wtd Avg Feeder Cattle Auction - Denison IA

Receipts: 2162 Last Week: 2677 Year Ago: 1587

WIPFCS - compared to last sale reported, three weeks ago, 500 to 700 pound steers 7.00 to 8.00 higher, over 700 pound steady, 400 to 600 pound heifers 10.00 to 15.00 lower, over 600 pounds steady. Receipts included 55 percent steers and 45 percent heifers. Cattle over 600 lbs was 70 percent, 43 percent steers and 28 percent heifers.

Napoleon Livestock Auction Inc. - Napoleon ND

Receipts: 2657 Last Week: No Report Year Ago: 3753

Three weeks since last report so no price comparison. Good buyer demand for heavier weight feeders. Several strings of preconditioned and weaned calves available. Flesh condition light to moderate to moderate plus. 87 percent feeders over 600lbs. 59 percent steers, 41 percent heifers.

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Direct Sales of Feeder & Stocker Cattle... Click Link to view entire report

WY, Western NE & Western Dakotas Direct Feeder Cattle Wtd Avg (Fri)

Receipts: 230 Week Ago: 600 Year Ago: 466

No comparable sales from last week for a market comparison. However, a lower undertone was noted on heavier feeder steers. Pen conditions in the central and eastern part of the state has been a big topic in discussions the last few days as day time temperatures are banging around the mid 40's to low 50's melting snow at a rapid pace. Buyers of heavier weight replacement cattle are a tick cautious knowing the pull on the mud and extra cattle weight could be devastating to ones close outs with poor conversions and a high cost of gain.

AZ-CA-NV Weekly Feeder Cattle Review (Fri)

Confirmed 1740

Compared to last week, holstein steer calves have no comparison. Trade slow, demand light. Cattle weighing over 600 lbs totaled 0 percent. Heifers totaled 0 percent. Unless otherwise stated, prices fob shipping point with 2-3 percent shrink or equivalent with 5-10 cent slide on calves, 3-6 cent slide on yearlings from base weight. Delivered prices include freight, commissions and other expenses.

IA-South MN Direct Feeder Cattle Weekly (Mon)

Receipts: 0 Last week: 0 Last Year: 0

Compared to the last report: No trend available due to limited Current FOB trades. Prices based on net weights FOB after a 3 percent shrink or equivalent and 5-10 cent slide on calves and 4-6 cent slide on yearlings from base weights. Supply included 0 percent over 600 lbs; 0 percent heifers. Delivered prices include freight, commissions and other expenses. Current sales are up to 14 days delivery.

Eastern Cornbelt Direct Feeder Cattle Summary (Fri)

This week: 531 Last week: 335 Last Year: 306

Compared to last week: No trend available for feeder steers and heifers due to limited comparable FOB sales. Supply included 100 percent over 600 lbs; 89 percent heifers. Prices based on net weights FOB after a 3 percent shrink or equivalent and 5-10 cent slide on calves and 4-6 cent slide on yearlings from base weights. Delivered prices include freight, commissions and other expenses. Current sales are up to 14 days delivery.

Colorado Direct Feeder Cattle Report (Fri)

Receipts: 1,720 Last Week 960 Last Year 1,067

Compared to last week: Feeder steers and heifers not well tested for current FOB delivery last week. Supply consisted of 100 percent over 600 lbs; 57 percent heifers. Unless otherwise stated prices are FOB with a 2-3 percent shrink or equivalent and with a 8-12 cent slide on calves and 4-8 cent slide on yearlings from base weight.

Kansas Direct Feeder Cattle Summary (Fri)

Receipts: 1970 Last Week: 777 Last Year: 547

Compared with last week: Feeder steers and heifers not well tested this last week. Volume includes 100 percent 600 lbs and over. Feeder supply includes 81 percent steers and 19 percent heifers. Unless otherwise stated prices are FOB weighting points with 2-3 percent shrink or equivalent and a 5-10 cent slide on calves and a 4-16 cent slide on yearlings from base weights.

Montana Direct Feeder Cattle Wtd Avg (Fri)

Receipts: 0 Last Week 0 Last Year 0

Compared to last week: Feeder steers and heifers not enough Tested this week for an accurate trend. Supply includes 0 percent over 600 lbs and 0 percent heifers. Unless otherwise stated prices are FOB weigh point with a 2-3 percent shrink or equivalent and with a 8-12 cent slide on calves and 4-8 cent slide on yearlings from base weights. Current sales up to 14 days for delivery.

New Mexico Feeder Cattle Report (Mon)

Receipts: 150 Last Week: 200 Year Ago: 1100

Compared to last week: Not enough comparable sales for a market trend. Trade activity was light on light to moderate demand. Supply consisted of 58 percent steers and 42 percent heifers. 100 percent of the offerings weighed over 600 lbs. Note: Feeder cattle prices based on net weights FOB after a 3 percent pencil shrink or equivalent. Current is within 14 day delivery.

Northwest Wtd Avg Direct Feeder Cattle Report (Fri)

Receipts: 0 Last Week: 634 Year Ago: 366

Compared to last week: Feeder steers and heifers not established this week. Supply included 0 percent over 600 lbs and 0 percent heifers. Unless otherwise stated prices are FOB weighting points with 2-3

percent shrink or equivalent and a 5-10 cent slide on calves and a 4-12 cent slide on yearlings from base weights. Current sales are up to 14 days delivery.

Oklahoma Direct Feeder Cattle (Fri)

Receipts: 3,190 Last Week 1,165 Last Year 1,697

Compared to last week: Feeder steers and heifers were to lightly tested last week on a Current FOB basis for a true market test. Receipts this week consisted of 100 percent over 600 lbs and 34 percent heifers. Unless otherwise 3 stated prices are FOB weigh point with a 2-3 percent shrink or equivalent and with a 8-12 cent slide on calves and 4-8 cent slide on yearlings from base weights. Current sales up to 14 days for delivery.

Texas Direct Feeder Cattle (Fri)

Receipts: 12,800 Last Week: 16,200 Year Ago: 8,900

Compared to last week: Current FOB steers and heifers weighing under 800 lbs sold steady to 4.00 lower; steers and heifers weighing over 800 lbs sold steady to 3.00 higher. Trade activity and demand were moderate to good as we kick off a new year. CME feeder cattle board struggled throughout the short week but the wide range between the CME Live cattle contracts of April vs June was the main factor in prices. Heavier cattle that are expected to finish in April were heavily sought after for current delivery.

- **Extensive U.S. & Canadian Auction Results are available on The Cattle Range**

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Representative Sales of Cows & Pairs:

Reported by [USDA Market News](#) for the **week ending January 4th**

- **Joplin, MO:**

- Bred Cows: Medium Large 1 2-5 yrs 2nd and 3rd stage 950-1325 lbs 1200.00-1435.00. Medium and Large 1-2 3-6 yrs 2nd and 3rd stage 1070-1365 lbs 875.00-1125.00, 1st stage 2 yr 950 lb indiv. 885.00; 7 yrs to aged 2nd and 3rd stage 1100-1370 lbs 650.00-800.00. Large 1 2 yrs 3rd stage pkg. 1320 lbs 1635.00. Large 1-2 5-6 yrs 3rd stage couple 1400-1475 lbs 925.00-1200.00; broken mouth 3rd stage 1400-1435 lbs 700.00. Medium and Large 2 5 yrs 2nd stage 1280 lb indiv. 550.00. Medium 1-2 4-6 yrs 3rd stage 835-1050 lbs 650.00-675.00; broken mouth 2nd stage 1050 lb indiv. 400.00 per head.
- Cow/Calf Pairs: Medium and Large 1-2 4 yr 1270 lb cow w/225 lb calf 1100.00 per pair.

- **Burwell, NE:**

- Bred Cows Complete Dispersions: Medium and Large 1-2 Young (3-6 years) 3rd trimester 1140-1425 lbs 1810.00-2200.00. 2nd and 3rd trimester 868 lbs 1400.00; 1155-1400 lbs 1500.00-2300.00. Solid Mouth: 3rd trimester 1462-1469 lbs 1475.00-1750.00. 2nd and 3rd trimester 1112-1450 lbs 1375.00-1500.00. Short Solids: 2nd and 3rd trimester 1321-1375 lbs 1175.00-1500.00. Broken Mouth: 3rd trimester 1427-1475 lbs 1050.00-1075.00. 2nd and 3rd trimester 1236-1266 lbs 1000.00-1100.00. 1st and 2nd trimester Running age 950 lbs 1025.00; 1695-1870 lbs 1010.00-1100.00. Bred Cows Medium and Large 1-2: Heifers 2nd trimester 903-1086 lbs 1450.00-1610.00. Young 2nd trimester 915-985 lbs 1425.00-1650.00; 1020-1555 lbs 1575.00-1935.00. Solid Mouth: 2nd trimester 1020-1425 lbs 1400.00-1750.00. Short Solids: 2nd trimester 1147-1425 lbs 850.00-1110.00. Broken Mouth: 2nd trimester 1116-1440 lbs 785.00-1175.00. Late Bred (Mixed Age): 1st and 2nd trimester 916 lbs 1100.00; 1135-1190 lbs 500.00-875.00.
- Holiday Cow Classic Day 1` Heifer auction consisted mostly of Black, Red and BWF Spring heifers bred to LBW black bulls. Several offerings to calve Feb and Mar Al'd for 2 to 15 days and bull breeds calving 30 to 45 days. A full crowd on hand and high internet activity should be noted. Medium and Large 1-2: AI Bred Heifers 3rd trimester 896-1330 lbs 1425.00-1685.00. 2nd

and 3rd trimester 956-1260 lbs 1510.00-1775.00; pkg fancy 1180 lbs 2050.00. Medium and Large 1-2: AI Bred Heifers w/ Cleanup: 3rd trimester 835 lbs 1175.00; 940-1165 lbs 1400.00-1625.00. Medium and Large 1-2: Bull Bred Heifers: 3rd trimester 889-893 lbs 1310.00; 1010-1290 lbs 1425.00-1535.00. 2nd and 3rd trimester 805 lbs 1100.00; 925-1185 lbs 1325.00-1650.00. 1st and 2nd trimester 1025 lbs 1650.00.

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Canadian Cattle:

Alberta Beef Producers: Alberta direct cattle sales Thursday saw light trade develop with dressed sales ranging from 264.00-268.00 delivered. Sales are 2.00-6.00 higher than the previous week. Buyers were indicating cattle that they bought this week would be lifted in two weeks. Buying interest in the cash market was mixed this week with one plant more aggressive than the others. There is a good chance packers will run on Saturday to make up for the holiday on Tuesday.

Canadian Cattle Prices:

Prices have been converted to U.S. \$/CWT. Grades changed to approximate U.S. equivalents

Exchange Rate: Canadian dollar equivalent to \$0.7344 U.S. dollars

Prices for the week ending December 28th

Average Feeder Cattle Prices Expressed in U.S. Dollars:						
	Alberta		Saskatchewan		Ontario	
Steers:	12/28	12/21	12/28	12/21	12/28	12/21
501-600 lbs.	N/A	\$162.07	N/A	N/A	N/A	\$161.88
601-700 lbs.	N/A	\$151.98	N/A	N/A	N/A	\$150.77
701-800 lbs.	N/A	\$143.83	N/A	\$139.49	N/A	\$142.55
801-900 lbs.	N/A	\$137.43	N/A	\$135.16	N/A	\$144.51
Heifers	12/28	12/21	12/28	12/21	12/28	12/21
401-500 lbs	N/A	\$144.51	N/A	N/A	N/A	\$122.63
501-600 lbs	N/A	\$137.00	N/A	\$130.59	N/A	\$119.02
601-700 lbs.	N/A	\$131.36	N/A	N/A	N/A	\$111.60
701-800 lbs.	N/A	\$127.43	N/A	N/A	N/A	\$111.73

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Average Feeder Cattle Prices Expressed in Canadian Dollars:						
	Alberta		Saskatchewan		Ontario	
Steers:	12/28	12/21	12/28	12/21	12/28	12/21
501-600 lbs.	N/A	\$205.12	N/A	N/A	N/A	\$204.88
601-700 lbs.	N/A	\$192.35	N/A	N/A	N/A	\$190.81
701-800 lbs.	N/A	\$182.03	N/A	\$176.54	N/A	\$180.41
801-900 lbs.	N/A	\$173.93	N/A	\$171.06	N/A	\$182.89
Heifers	12/28	12/21	12/28	12/21	12/28	12/21
401-500 lbs	N/A	\$182.89	N/A	N/A	N/A	\$155.20
501-600 lbs	N/A	\$173.39	N/A	\$165.27	N/A	\$150.63
601-700 lbs.	N/A	\$166.25	N/A	N/A	N/A	\$141.24
701-800 lbs.	N/A	\$161.28	N/A	N/A	N/A	\$141.41

Canfax Report:

This cattle market information is selected from the weekly report from Canfax, a division of the Canadian Cattlemen's Association. More market information, analysis and statistics are available by becoming a Canfax subscriber by calling 403-275-5110 or at www.canfax.ca.

New highs for fed cattle

New second-half highs were established during the week of Dec. 21 for weighted average steer prices. Those prices were up by \$2.65 per hundredweight before Christmas to average \$157.19. Fed heifer prices also rose by \$2.17 per cwt. to average \$156.27.

Fed prices have now established second-half highs in December in six of the last seven years. Cattle that were bought the week of Dec. 21 were being scheduled for delivery the week of Jan. 7. Packers were buying for a full slaughter week, but competition on the cash market was moderate with two out of the three packers actively buying cattle.

Dressed sales in Western Canada were at a \$13-\$16 per cwt. premium over the eastern Canadian market. Eastern packers were comfortably bought out in front because they were buying cattle for the weeks of Jan. 14 and Jan. 21 before Christmas.

The concern in Eastern Canada is that carcass weights have not moderated, averaging 973 pounds in mid-December, 24 lb. larger than the previous year. With some cattle not scheduled to be picked up for a month in Eastern Canada, carcass weights could continue to grow.

Producers in Ontario could be looking at shipping cattle into Alberta just to get a slaughter spot and keep weights under control. Over the last few weeks of December, Alberta cash to futures basis levels were right in line with the five-year average.

In the outlook, with U.S. packers actively booking basis contracts, more Canadian fed cattle are expected to be exported south in 2019 versus 2018. Last year, prices in Western Canada peaked in early January.

Considering that yearlings came off grass earlier than normal, 2019 could be more of a seasonal year with prices rallying from winter to early spring.

In the United States, dressed sales at the end of December ranged from \$187-\$190 per cwt., which was steady to \$2 higher than mid-month. Slaughter volume for the beginning of December was the largest weekly fed slaughter volume since early December 2002.

Non-fed prices firm

Non-fed cattle prices firmed higher in the week ending Dec. 21 on good demand despite ample supplies.

D2 slaughter cows through auction surged more than \$3 per cwt. higher than the previous week to average \$77.70. D3 prices trended fully steady, averaging \$65.43 per cwt.

Dressed cow bids strengthened around \$4 per cwt. higher, ranging from \$152-\$158 delivered. Butcher bull prices firmed \$1.75 higher, averaging \$86.86.

Western Canadian non-fed slaughter for the week ending Dec. 15 was 13 percent lower than the previous week at 8,981 head. Year to date, western Canadian non-fed slaughter was 12 percent larger at 390,403 head.

Slaughter cow prices typically bottom in late November or early December and rebound as supplies tighten toward year end. Cow prices this year have been following the seasonal trend, but average D2 prices the week of Dec. 21 were \$20 per cwt. lower than the five-year average. Ample supplies are expected to be on offer in the new year, and the typical January price rally may be limited despite good

trim demand.

Year-end demand

For the week ending Dec. 21, Alberta feeders saw good year-end demand, and prices trended mostly steady to higher. Average steer prices firmed almost \$2 per cwt. higher than the previous week while heifers traded generally steady.

Light calves less than 400 lb. saw prices ease \$2.50-\$4 per cwt. lower, and 400-500 lb calves trended mostly steady.

Mid-weight 500-700 lb. steer calves surged \$3-\$6 higher with strong support for preconditioned calves for deferred January delivery. Similar weight heifers traded fully steady to \$1.25 per cwt. higher.

Eastern buying interest was observed on feeders heavier than 700 lb. and was price supportive. Larger feeders heavier than 800 lb. saw a premium to spot for January delivery.

Auction volumes dwindled seasonally 32 percent lower than the previous week to 25,657 head. Year to date auction volumes were one percent lower than year ago and were expected to close the year generally steady with 2017.

The U.S. Department of Agriculture reports that Canadian feeder exports to the U.S. for the week ending Dec. 8 eased to 2,606 head and year to date are 66 percent larger, totalling 191,863 head.



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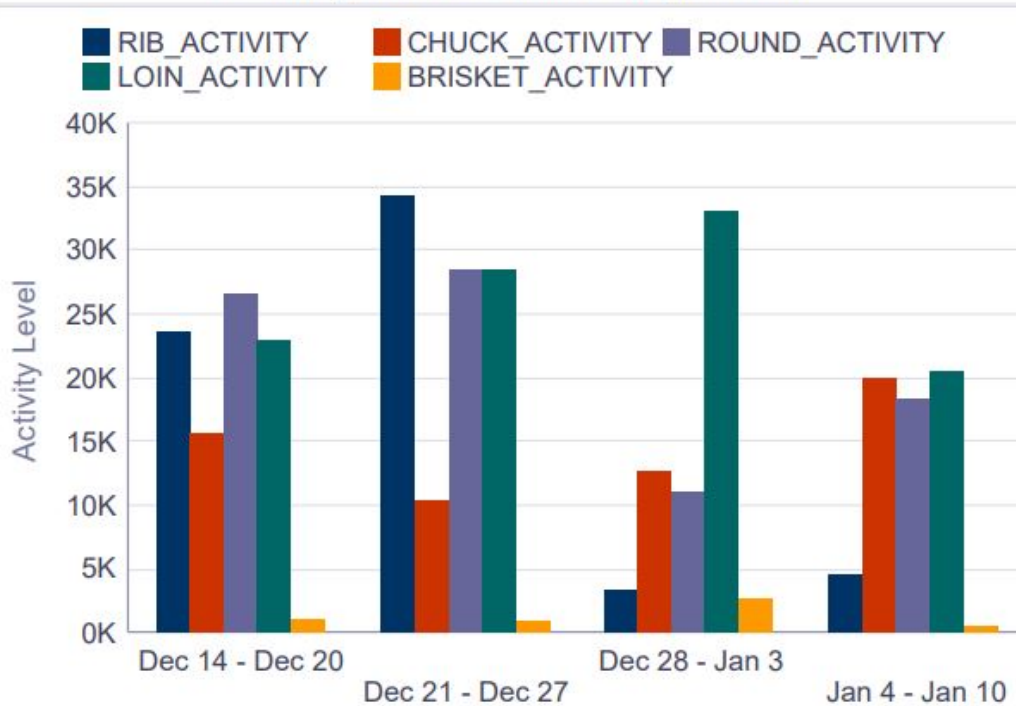
USDA National Retail Beef Report:

Advertised Prices for Beef at Major Retail Supermarket Outlets

This week in Beef Retail, the Feature Rate was 9.7 percent higher, the Special Rate climbed by 19.4 percent, the Activity index charted a 13.9 percent increase. Retailers continue to feature beef products hoping to carry good beef demand into the new year. Cuts from the Rib, Chuck, and Round saw more ad space while cuts from the Loin, and Brisket saw less. Cattle slaughter under federal inspection saw 18.7 percent increase in response to the previously shortened holiday week.

NATIONAL SUMMARY						
	THIS WEEK		LAST WEEK		LAST YEAR	
Outlets	29,200		29,200		29,200	
Feature Rate (1/)	66.3%		56.6%		68.8%	
Special Rate (2/)	23.6%		4.2%		13.7%	
Activity Index (3/)	93,270		81,880		90,550	
	Stores	Wtd Avg	Stores	Wtd Avg	Stores	Wtd Avg
Bone-In Ribeye Roast			860	8.53	310	6.76
Bone-In Ribeye Steak	3,050	8.39	1,680	7.87	3,800	8.18
Bnls Ribeye Roast	50	8.01	30	9.40	180	7.96
Bnls Ribeye Steak	1,330	9.36	780	9.88	3,620	9.39
T-Bone Steak	3,210	7.95	8,780	6.37	2,360	7.17
Porterhouse Steak	710	7.12	2,360	7.20	690	7.75
Tenderloin	550	12.32	3,300	10.25	920	12.97
Filet Mignon	560	14.50	3,620	15.38	1,570	15.67
Loin, Bnls	480	6.68	460	7.46	90	5.96
Bone-In Strip Steak	3,700	7.50	4,180	5.99	1,820	6.04
Bnls New York Strip Steak	6,160	8.73	5,720	7.34	3,570	7.90
Beef Backribs	30	3.17	50	2.99	70	2.60
Sirloin Roast	370	4.12	410	3.91	120	4.83
Sirloin Steak	490	5.32	530	6.13	540	5.42
Bnls Sirloin Roast	10	3.99	20	3.99	70	3.69
Bnls Sirloin Steak	360	6.76	540	5.56	1,060	5.67
Sirloin Tip Roast	930	3.72	430	3.80	1,250	3.80
Sirloin Tip Steak	610	4.05	340	4.61	1,210	4.34
Bnls Top Sirloin Roast	110	3.54	70	4.43	80	3.82
Bnls Top Sirloin Steak	4,670	5.78	290	5.83	3,640	5.24
Top Round Roast	2,360	3.56	1,560	4.07	1,780	3.25
Top Round Steak	1,510	4.69	470	4.16	1,310	4.17
Bottom Round Roast	3,190	3.85	3,910	4.00	3,710	3.77
Bottom Round Steak	850	4.64	1,120	4.45	850	3.97
Eye Of Round Roast	2,110	4.33	1,350	4.28	2,500	3.87
Eye Of Round Steak	290	4.42	80	4.47	430	4.38
Rump Roast	1,620	3.58	1,330	3.99	1,300	3.46
Rump Steak						
Chuck/Shldr/Arm Roast	10,450	3.79	5,780	4.65	11,220	3.68
Chuck/Shldr/Arm Steak	5,380	4.03	2,120	4.59	4,940	4.32
London Broil	2,770	3.40	4,630	4.17	1,970	3.71
Brisket	90	3.48	1,270	4.11	20	5.62
Brisket, Flat	60	6.99	580	5.03	30	6.13
Corned Beef Brisket	120	5.99	570	4.55	10	7.98
Corned Beef Flat	120	6.99	180	2.99	1,220	5.99
Beef Short Ribs	1,080	4.99	1,860	5.44	890	4.88
Flat Iron Steak	1,330	7.03	20	4.91	650	5.61
Flank Steak	1,920	8.44	320	6.99	270	7.65
Minute/Cube Steaks	3,990	4.82	2,440	5.07	3,550	4.89
Stew Meat	7,110	4.81	2,680	4.45	7,040	4.74
Ground Round	1,580	3.93	390	3.84	550	3.78
Ground Chuck	1,020	3.64	2,860	3.28	2,120	3.16
Ground Sirloin	500	4.20	210	4.65	400	4.20
Ground Beef 90% Or More	6,690	4.82	2,290	4.48	9,260	5.11
Ground Beef 80-89%	6,020	3.63	6,170	3.53	4,900	3.36
Ground Beef 70-79%	1,300	2.34	1,580	2.42	680	2.28
Beef Patties	1,600	5.03	740	3.87	740	4.10
Tri-Tip	800	4.51	590	4.65	1,050	5.82
Skirt Steak	30	5.40	330	6.00	190	5.97

Activity Index: 2 Week Comparison



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"Shootin' the Bull" Weekly Analysis:

In my opinion, there are some factors changing that have changed my analysis on cattle. For months on end I have believed that demand would keep prices from collapsing under the weight of elevated production. Although beef did not excel during this time frame, it has not collapsed into the abyss some thought it would. Fast forward to today and there are enough issues in our economy that I anticipate the consumer to begin retracting in their current discretionary spending habits. I don't think it is one specific factor, but a combination of several. Issues with the tariff's, government shut down, exaggerated interest rate moves, and now a much more diverse legislative body, leads me to anticipate not much getting done. This may cause more consumers to contract in their discretionary spending until some of these factors are resolved. The employment report was staggering on Friday. It showed an over 300K increase in jobs.

Just 6 months ago, I would have, and did, tout this as a potential increase for beef demand. Today though, the employment arena is already full. Therefore, those 300K newly employed may increase quality or quantity of diet, but the 300 million that have had the increase in employment or wages may be ready to pull back on consumption. This is my thought only and not to be mistaken for fact. Nonetheless, cattle ended the week lower and a very soft tone appears to be forming. I have had to change the wave count significantly this week as well. I went all the way back to the lows posted April 4th of 2018. That was a low of significance and the lowest point to the current contract high of February and April fats. The massive amount of overlapping of waves and little price advance over previous highs, leads me to believe that the past 8 months of trading have been a huge A-E correction. If this analysis is correct, then a decline of significance is now anticipated.

Both February and April have begun to break support levels. If you recall, many analysis called for under \$100.00 fats in both '17 and '18. Demand kept that from occurring, although traders tried hard a few times to do so. The "wall's" of cattle were disseminated through robust demand. With 2019 slated to have a like inventory to work from as in 2018, demand will have to remain elevated or cattle could begin to back up. Two things to think over after you've read this is that there are two factors that occurred in the past two weeks that would be construed a friendly towards cattle prices. One is the winter storm that most likely will

keep carcass weights lower, and a robust employment report. Neither of these factors has produced much more than a flurry of activity. The market is going lower and there remains friendly news around us. This is not a good sign.

Feeders are the ones taking the brunt of the blow. Their inability to climb back to new contract highs, like the fats, put them at a disadvantage coming out of the chute. The price action from 11/13/18 to 12/31/18 is believed a B wave correction. This leads me to anticipate a C wave decline. The C wave is anticipated to unfold in a 5 wave pattern. At present, waves 1 & 2 of C are confirmed complete and wave 3 of C is in progress. A downside target to wave 3 of C measures to \$140.90 March. This is in very close proximity to the prior two lows made on 11/13 and 12/4 of '18. Once or if a 5 wave pattern is deemed complete, it will take some time to see whether or not this is "the" bottom of wave C or potentially the first wave down of C. So, there is some time that will be needed to go by before some definitive projections can be made. At this time, I continue to anticipate a lower trade. Mostly due to the same reasons as the fats from a fundamental standpoint.

Grains firmed this week. There have been a multitude of analyst recommending to own tangible items. I've seen this before where mindsets go from investing in equities to trading in commodities because equities are not going up any more. This may have some validity, but I don't think we'll see too many corn contracts in 401K or IRA plans. Nonetheless, this is being touted and I don't agree with this analysis at this time. Not that I don't think grains can trade higher, but probably not from the stand point of investors coming into the commodity markets. It has been stated by many that trading is losing more participants and replacing them with computer generated trades. I anticipate grains to weaken, not strengthen.

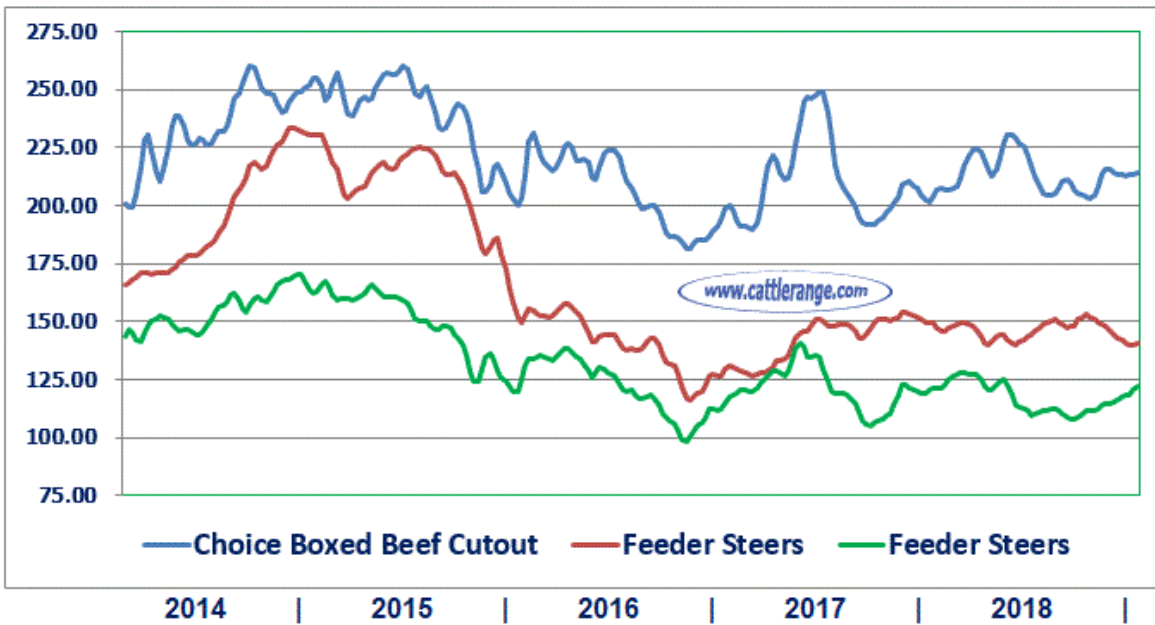
Hogs remain on the front burner with it turned on high. I have no idea who or what entity is able to hold back what appears to be a significantly friendly fundamental environment, but they are. My opinion only is that this market may be a good representation of the computers dominating the trade. Were humans involved, I think prices would already be reflecting what appears to be friendly news. Computers though are programmed to create as much disruption as possible, as quickly as possible, to confuse or disorient the majority and begin picking off trades from the action of human intervention. Yes, I may be stretching my limits of knowledge of computer trading, but I deal with it first hand, every day, a multitude of times a day. Any hoot, the wave count remains friendly towards hogs and be prepared to potentially be limit up several days in a row at some point.

Christopher B. Swift is a commodity broker and consultant with Swift Trading Company in Nashville, TN. Mr. Swift authors the daily commentaries "mid day cattle comment" and "Shootin' the Bull" commentary found on his website @ www.shootinthebull.com

An investment in futures contracts is speculative, involves a high degree of risk and is suitable only for persons who can assume the risk of loss in excess of their margin deposits. You should carefully consider whether futures trading is appropriate for you in light of your investment experience, trading objectives, financial resources and other relevant circumstances. PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS.

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5 Year Averages: Choice Boxed Beef Cutout, Slaughter, & Feeder Steers:



Boxed beef cutout values lower on light to moderate demand and heavy offerings. Select and Choice rib, chuck, round, and loin cuts steady to weak. Beef trimmings mostly moderately lower on light demand and offerings.

The average value of hide and offal for the four days ending Fri, Jan 04, 2019 was estimated at 8.88 per cwt., up 0.01 from last week and down 1.82 from last year.

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Photo of the Week:

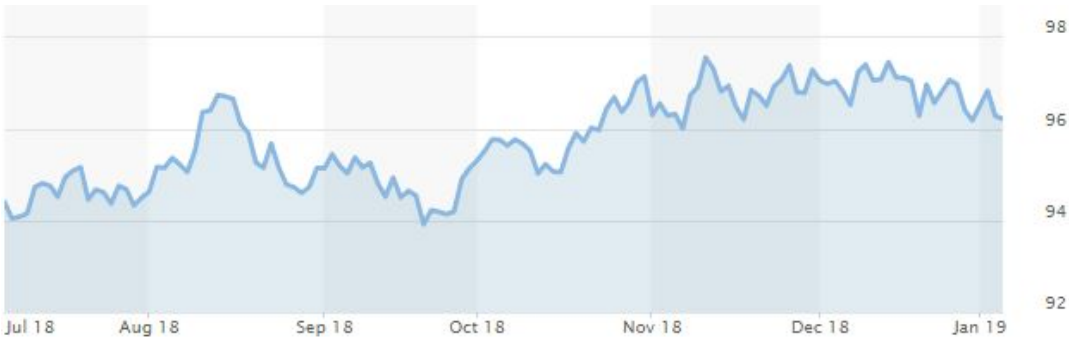


- [Angus Bred Heifers... Western NE](#)

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U.S. Dollar - 6 Month Chart:

Over the past 5 years, an average of around 10% of U.S. beef production has been exported, making exports an extremely important factor affecting beef and cattle prices. A strong dollar depresses export demand.

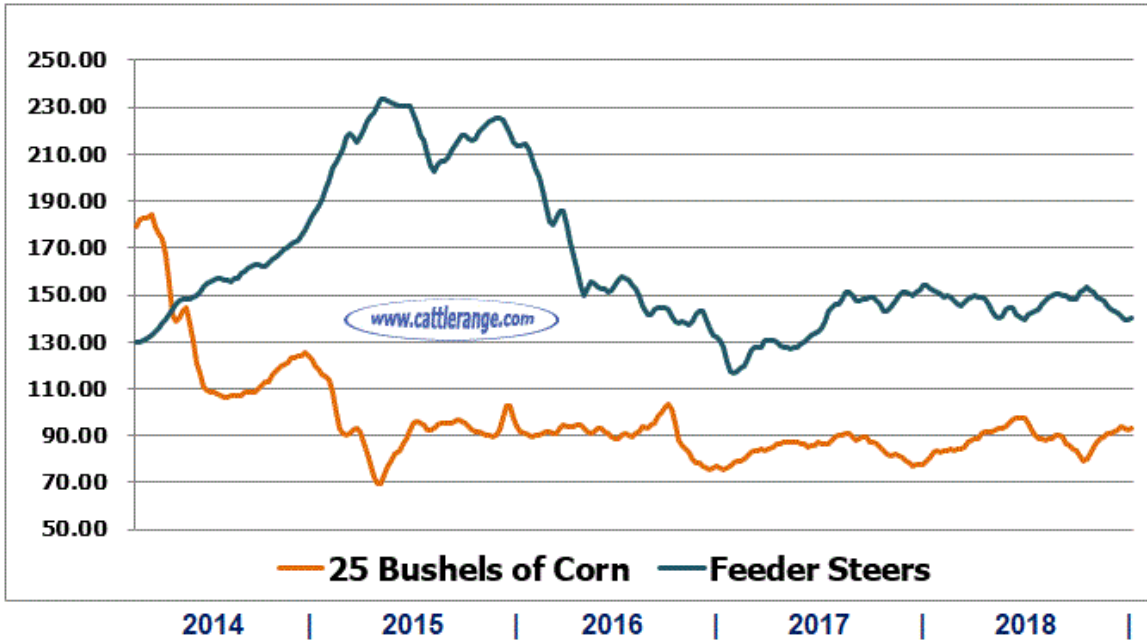


- [U.S. Dollar Index](#)

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Feeder Steers/Corn Correlation:

Historically, the value of 25 bushels of corn is approximately equal to the price per cwt. for feeder steers.



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Slaughter Cows & Bulls:

Slaughter cows 2.00-5.00 higher. Slaughter bulls sold 3.00-4.00 higher. Packer demand good as they look to fill pens before many auctions close for the Holidays. Supply included 39 percent going to packers; 61 percent replacement cows and pairs.

Slaughter Cows:

	Head	%Lean	Weight	Average Dress	High Dress	Low Dress
Breakers	90	75-80%	1150-1700	49.00-53.00	56.00-60.00	44.00-48.00
Boners	192	80-85%	1000-1400	48.00-53.00	54.00-57.00	43.00-46.00
Lean	316	85-90%	1000-1375	45.00-50.00	52.00-54.00	40.00-44.00
Lights	153	85-90%	700-1000	45.00-47.00	-----	36.00-41.00

	# Head	Week Ago	Year Ago	YTD	Week Ago	Year Ago
NATIONAL	7,850	7,646	8,526	37,374	31,090	41,842
NORTHWEST	2,052	1,060	2,291	8,069	5,358	10,595
SOUTHWEST	2,890	3,765	3,762	16,953	15,582	18,589
EASTERN AREA	2,908	2,821	2,473	12,352	10,150	12,658

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Est. Weekly Meat Production Under Federal Inspection:

Total red meat production under Federal inspection for the week ending Saturday, January 05, 2019 was estimated at 915.9 million lbs. according to the U.S. Department of Agriculture's Marketing Service. This was 19.4 percent higher than a week ago and 0.4 percent higher than a year ago. Cumulative meat production for the year to date was 15.5 percent lower compared to the previous year.

[^ Contents](#)**USDA Weekly Hay Reports:** "Click" on links for detailed report

- [Alabama](#) ▪
- [California](#) ▪
- [Colorado](#) ▪
- [Idaho](#) ▪
- [Iowa](#) ▪
- [Kansas](#) ▪
- [Missouri](#) ▪
- [Montana](#) ▪
- [Nebraska](#) ▪
- [New Mexico](#) ▪
- [Oklahoma](#) ▪
- [Oregon](#) ▪
- [Pennsylvania](#) ▪
- [South Dakota](#) ▪
- [Texas](#) ▪
- [Utah](#) ▪
- [Virginia](#) ▪
- [WA/OR Columbia Basin](#) ▪
- [Wyoming](#) ▪

[^ Contents](#)**Weekly Feedstuffs Market Review:**

The USDA reports feed ingredient prices for the week ending Jan 02, 2019 were mixed.

- Soybean Meal was 0.50 lower to 12.50 higher. Cottonseed Meal was steady. Canola Meal was 0.20 higher in Minnesota. Linseed Meal was 5.00 to 15.00 lower. Sunflower Meal was steady to 5.00 lower.
- Whole Cottonseed was steady.
- Crude Soybean Oil was 31 to 126 points lower. Crude Corn Oil was 55 points lower.
- Ruminant Meat and Bone Meal was steady to 5.00 lower, mostly steady. Ruminant Blood Meal was steady. Feather Meal was steady.
- Yellow Corn Hominy was steady to 2.00 higher. Corn Gluten Feed was steady. Corn Gluten Meal was steady to 5.00 lower.
- Distillers Dried Grain was mixed, mostly 10.00 lower to 21.00 higher.
- Wheat Middlings were mixed, 50.00 lower to 5.00 higher, mostly 30.00 to 50.00 lower. Wheat millrun was mixed, 5.00 lower to 15.00 higher.

[^ Contents](#)**5 Year Bullish/Bearish Consensus Charts:**

The theory behind the "Bullish/Bearish Consensus" indicator is when the public reaches a consensus, they are usually wrong:

- They get too bullish after prices have risen and too bearish after they have already fallen.

Because of this tendency, there are often extremes in opinion right before major changes in trend:

- When the public reaches a bullish extreme, i.e., a great majority thinks prices will keep rising, then prices often decline instead.
- And when they become too bearish, then prices tend to rise.

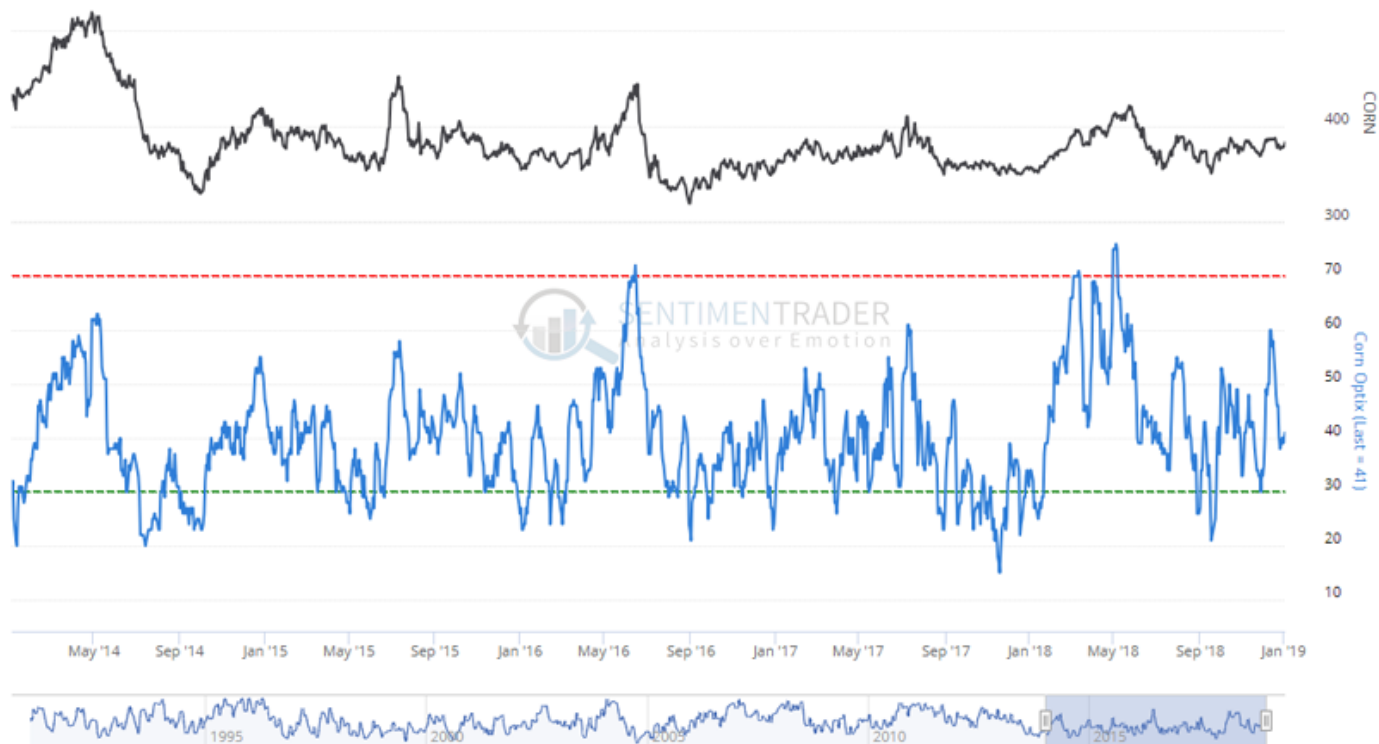
So when Public Opinion moves above the **red dotted line** in the chart, it means that compared to other readings over the past year, you're seeing **excessive optimism**. You also want to look at the absolute level of Opinion, too - if it's at 90%, then there's no question we're seeing an historic level of bullish opinion. Watch for readings above 80% (or especially 90%) to spot those dangerous times when the public is overly enthusiastic about a commodity.

Conversely, when Public Opinion moves below the **green dotted line**, then the public is **excessively pessimistic** about the commodity's prospects for further gains compared to their opinion over the past year. Looking for absolute readings under 20% (or especially 10%) often indicates an upturn in the market.

Bullish/Bearish Consensus: Cattle



Bullish/Bearish Consensus: Corn



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Stock Markets & Economic News:

T. Rowe Price

STOCKS GAIN AS VOLATILITY CONTINUES INTO NEW YEAR

Stocks rose for a second consecutive week, although markets remained extremely volatile. The smaller-cap benchmarks, which typically see larger swings, performed the best after suffering the biggest declines in 2018—the worst overall year for stocks in a decade. The gains left only the small-cap Russell 2000 Index in bear market territory, down roughly 21% from its recent high. Markets were closed Tuesday for the New Year's Day holiday.

Within the S&P 500 Index, energy shares were especially strong, supported by a rebound in oil prices. Communication services shares also outperformed, helped by both a solid rise in Netflix and gains in the shares of traditional telecommunications firms, whose dividends have become more appealing following the recent drop in bond yields. Technology stocks underperformed, hurt by a sharp drop in Apple's stock on Thursday. Health care stocks also underperformed as uncertainty lingered over the future of the Affordable Care Act and the potential for legislation regulating drug prices to be introduced in the new Congress. The week brought news of Bristol-Myers Squibb's plans to acquire cancer drugmaker Celgene in what would be the biggest deal in biopharmaceutical industry history. Celgene shares shot up over 20% on the news, while Bristol-Myers Squibb shares tumbled over 13%.

HOPES FOR TRADE PROGRESS END DOWN YEAR ON UP NOTE

The week started off on a positive note, helped in part by hopeful signs in the ongoing U.S.-China trade dispute. President Trump tweeted over the weekend that he and President Xi Jinping had made “big progress” in trade talks, sending shares higher when trading opened Monday. Trading was relatively light in advance of the holiday, however, and some weak economic data out of China might have limited the gains (see below). Indeed, worries about China sent the indexes sharply lower when trading reopened Wednesday, according to T. Rowe Price traders, although the market rallied in the afternoon and closed modestly higher.

After the market's close on Wednesday, Apple CEO Tim Cook warned investors in a letter that the company was lowering its quarterly revenue guidance—the first such cut in 15 years. Apple shares tumbled nearly 10% on Thursday in response, dragging the large-cap indexes lower. Cook's letter also soured sentiment broadly because he blamed slowing iPhone demand in China, which he attributed in turn to economic weakness resulting from the trade battle with the U.S. Yet some critics suggested that Apple's strategy in China might be to blame, with Chinese consumers favoring other, more affordable smartphones.

CONFLICTING ECONOMIC SIGNALS SEND STOCKS IN OPPOSITE DIRECTIONS

The week's economic data also played a major role in moving markets. Thursday's sell-off appeared partly due to a sharp decline in the Institute for Supply Management (ISM) Purchasing Managers' Index, particularly the ISM's gauge of new order activity. The decline followed recent disappointing data on durable goods orders and seemed to confirm a substantial slowdown in business investment late in 2018. Markets jumped on much better news on Friday. The Labor Department reported that employers had added 312,000 nonfarm jobs in December, while weaker showings in previous months were revised upward. Average hourly earnings also increased at an impressive rate.

Stocks got a further boost Friday from reassurances offered by Federal Reserve Chairman Jerome Powell. Taking questions at an economic conference, Powell stressed that the Fed would deepen its focus on economic conditions in 2019 and would not hesitate to respond with all the tools at its disposal to counteract an economic downturn or financial turmoil. Powell also stressed that, while the downturn in the ISM manufacturing survey bore watching, hard economic data remained generally sound.

U.S. Stocks:

Index	Friday's Close	Week's Change	% Change YTD
DJIA	23,433.16	370.76	0.45%
S&P 500	2,531.94	46.20	1.00%
Nasdaq Composite	6,738.86	154.34	1.56%
S&P MidCap 400	1,684.32	39.30	1.28%
Russell 2000	1,380.70	43.76	2.38%

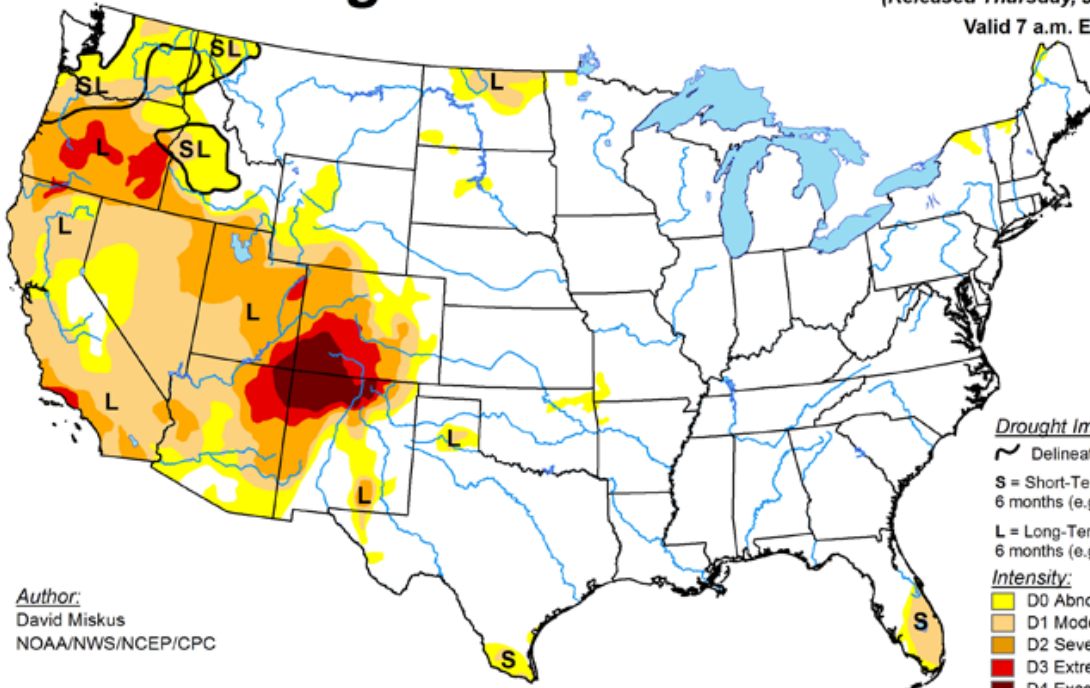
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["Click Here"](#) to view a Slide Show of Drought Monitor maps for the last 12 weeks

U.S. Drought Monitor

January 1, 2019
(Released Thursday, Jan. 3, 2019)

Valid 7 a.m. EST



Drought Impact Types:

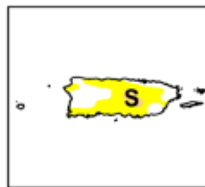
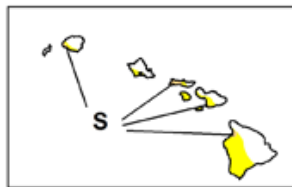
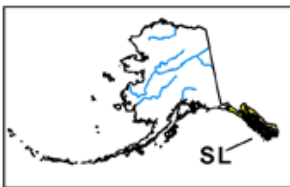
- ~ Delineates dominant impacts
- S = Short-Term, typically less than 6 months (e.g. agriculture, grasslands)
- L = Long-Term, typically greater than 6 months (e.g. hydrology, ecology)

Intensity:

- Yellow: D0 Abnormally Dry
- Light Orange: D1 Moderate Drought
- Orange: D2 Severe Drought
- Red: D3 Extreme Drought
- Dark Red: D4 Exceptional Drought

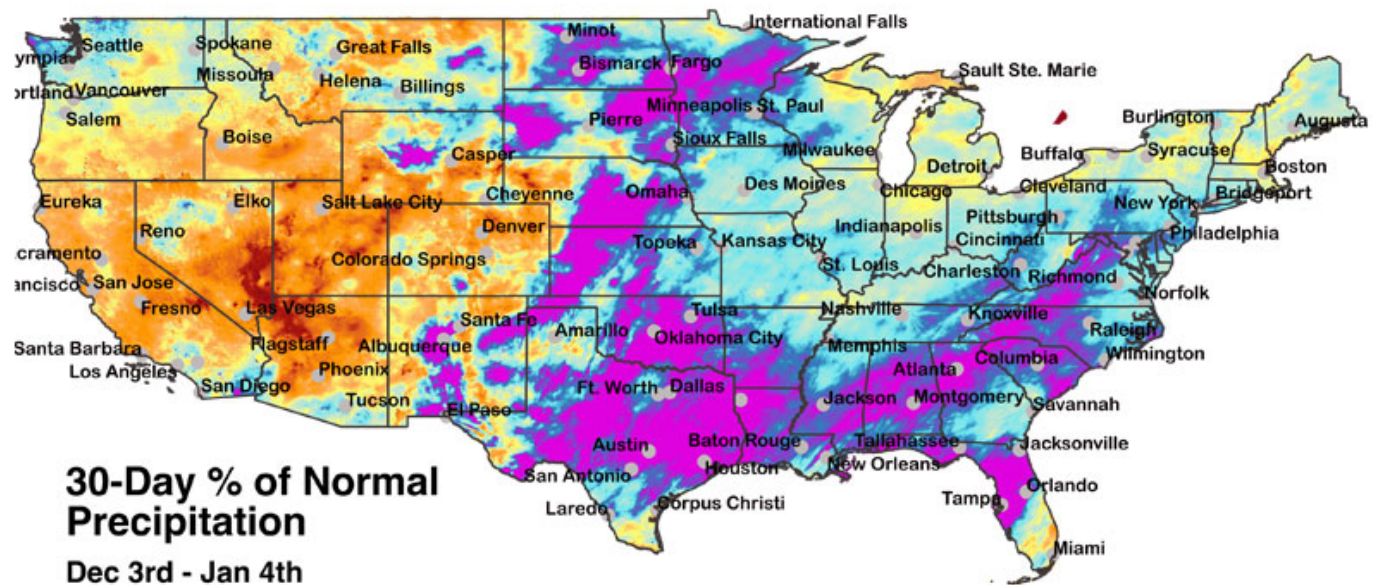
The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. See accompanying text summary for forecast statements.

Author:
David Miskus
NOAA/NWS/NCEP/CPC

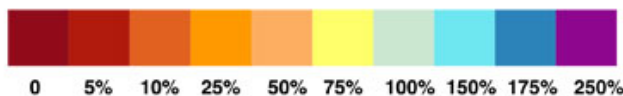


<http://droughtmonitor.unl.edu/>

30-Day Precipitation Winners and Losers

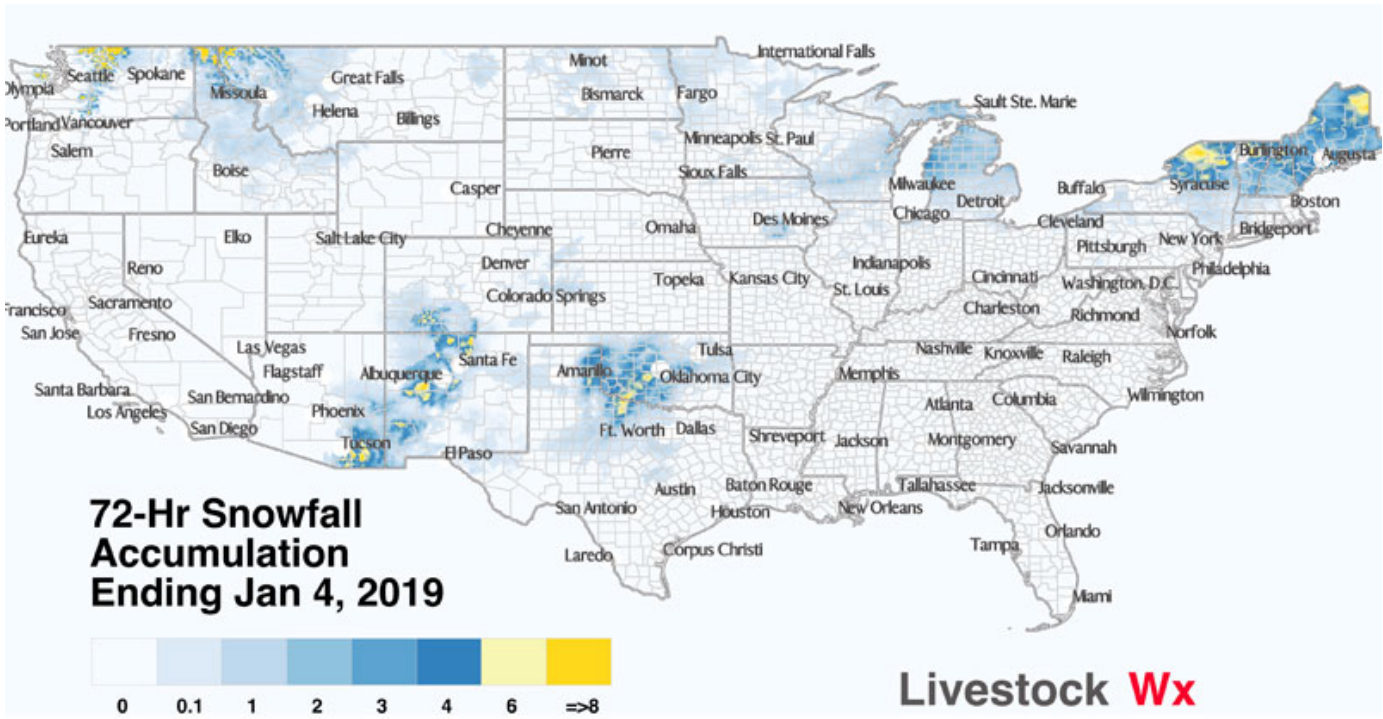


30-Day % of Normal
Precipitation
Dec 3rd - Jan 4th



livestockwx.com

Livestock Wx



livestockwx.com

Maps provided by Livestock Wx

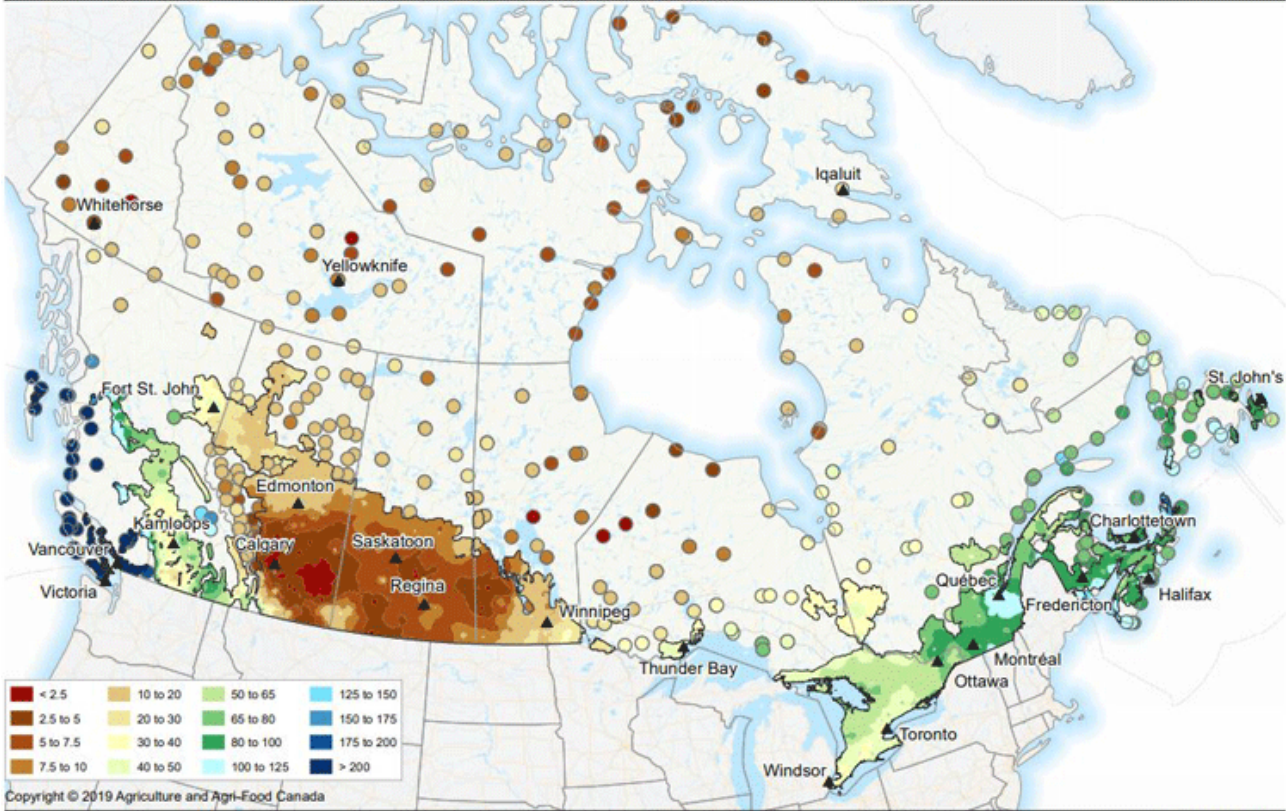
Looking Ahead:

During the next 5 days (January 3-7, 2019), a storm system will track across the South, bringing another round of moderate to heavy rain (1.5-4 inches) to the southern Great Plains, lower Mississippi Valley, and Deep South, with lighter totals in the mid-Atlantic and coastal New England. Unfortunately, it appears as though central and southern Florida will miss out on the rains. Pacific storm systems should drop decent precipitation along the West Coast and on the Cascades and Sierra Nevada. Light precipitation is also forecast for parts of Arizona, western New Mexico, southern Utah, and southwestern Colorado. Elsewhere, little or no precipitation will occur in the Great Basin, Plains, and Midwest. Temperatures should average above to much-above normal across the lower 48 States, with subnormal readings limited to the Southwest.

The CPC 6-10 day extended range outlook (January 8-12, 2019) showed enhanced chances for above-normal precipitation in the Northwest, Southwest, southern and central Plains, middle Mississippi and Ohio Valleys, Northeast, and southern Alaska. Subnormal precipitation was likely in the northern Plains, Southeast, and northern Alaska. Unseasonably mild weather is expected to continue throughout the lower 48 States with the exception of northern New England. Subnormal readings are favored in western Alaska, with near-normal temperatures in southeastern sections of the state.

Accumulated Precipitation (mm)

in past 30 days, as of January 2, 2019



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Prepared by Agriculture and Agri-Food Canada's Science and Technology Branch. Data provided through partnership with Environment Canada, Natural Resources Canada, Provincial and private agencies. Produced using near real-time data that has undergone some quality control. The accuracy of this map varies due to data availability and potential data errors.

Created: 2019-01-03
www.agr.gc.ca/drought

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For the week ending January 4th...

Current & Future (Projected) Feedyard Closeouts: Profit/(Loss)

Closeout projections are for cattle placed on feed by a cattle owner at a commercial feedyard and not for cattle owned by a feedyard and fed at cost or a farmer/feeder utilizing his own feed.

Typical closeout for un-hedged steers sold this week:

- Placed On Feed 165 days ago = July 23rd
- P/(L) based on the futures when placed on feed: **(35.79)**

Cost of 750 lb. steer delivered @ \$148.52 per cwt:	\$1,113.90
Feed Cost for 600 lbs. @ \$82.14 per cwt:	\$492.84
Interest @ Prime + 2% on cattle cost for 165 days:	\$28.95
Interest @ Prime + 2% of the feed cost for 165 days:	\$6.41
Total Cost & Expense:	\$1,642.10

Sale proceeds: 1,350 lb. steer @ \$123.00 per cwt: \$1,660.50

This week's Profit/(Loss) per head: \$18.40

Profit/(Loss) per head for previous week: \$21.59
 Change from previous week: -\$3.19

Sale price necessary to breakeven: \$121.64

Projected closeout for steers placed on feed this week:

- Projected Sale Date @ 165 days on feed = June 18th

Cost of 750 lb. steer delivered @ \$146.55 per cwt: \$1,099.13
 Feed Cost for 600 lbs. @ \$77.04 per cwt: \$462.24
 Interest @ Prime + 2% on cattle cost for 165 days: \$32.30
 Interest @ Prime + 2% of the feed cost for 165 days: \$6.79
Total Cost & Expense: \$1,600.45

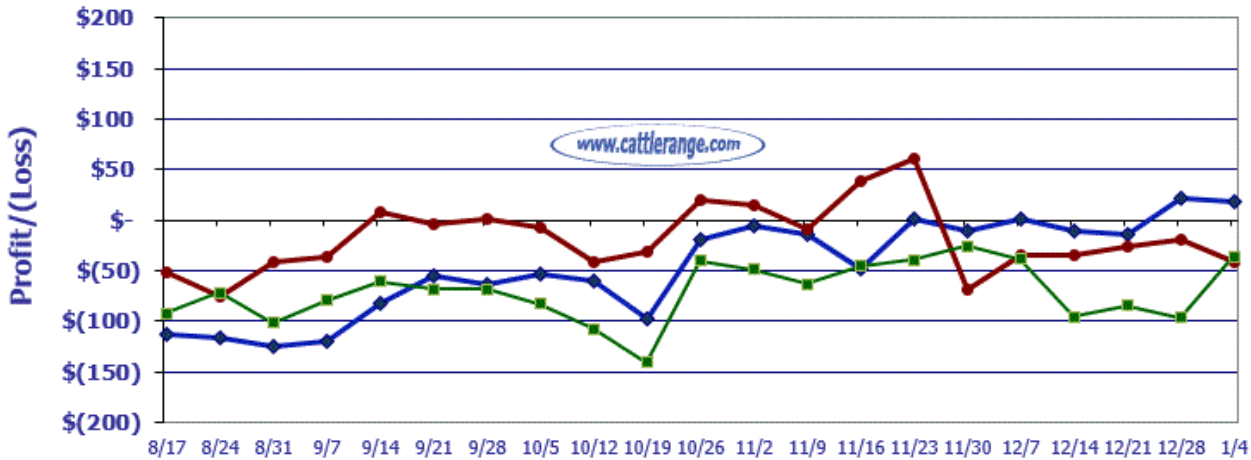
Sale proceeds: June Futures @ \$115.55 per cwt: \$1,559.93

This week's Profit/(Loss) per head: (\$40.53)

Profit/(Loss) per head for previous week: (\$19.35)
 Change from previous week: -\$21.18

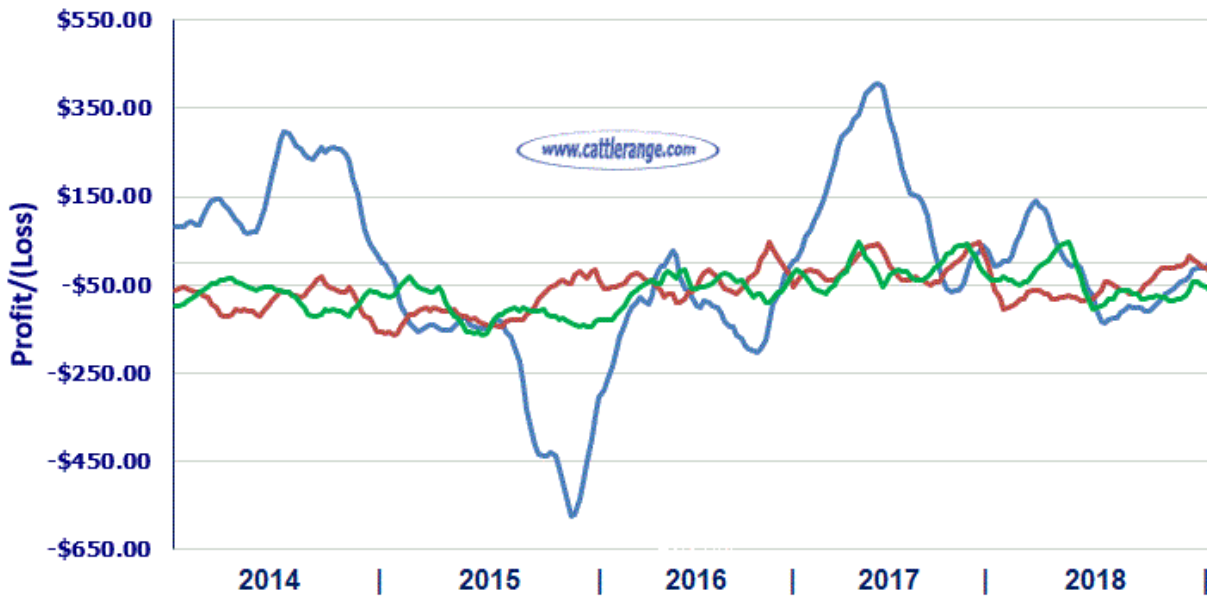
Sale price necessary to breakeven: \$118.55

Feedyard Close-Outs for the weeks ending...



Typical closeout for hedged steers sold this week: (\$35.79)
Typical closeout for un-hedged steers sold this week: \$18.40
Projected closeout for steers placed on feed this week: (\$40.53)

Feedyard Close-Outs - 5 Year Moving Averages



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Slaughter Cattle:

Slaughter Cattle: As of 3:00 PM, Friday in Nebraska and the Western trading and demand has been moderate. In Nebraska, when compared to last week, dressed cash trades moved steady at 195.00. A few live cash trades moved from 122.00-12.50, however, not enough for a full market trend. Thursday was the last fully reported live cash trade market at 123.00. In the Western Cornbelt, when compared to last week, live cash trades moved 1.00 to 2.00 higher from 121.00 to 122.00 and dressed cash trades moved steady to 4.00 higher from 194.00 to 195.00. Thus far for Friday in the Southern Plains trading has been inactive with very light demand. The last fully reported market was on Thursday with live cash trades at 123.00.

Negotiated Sales:

Confirmed: 48,409 Week Ago: 5,106 Year Ago: 69,832

Formula Net - Dressed Steers & Heifers

Head count priced today: 23,600
 Weighted avg weight: 882.00
 Weighted avg net price: 193.87

Livestock Slaughter under Federal Inspection:

		CATTLE	CALVES	HOGS	SHEEP
Friday 01/04/2019	(est	119,000	2,000	477,000	8,000
Week ago (est)		115,000	2,000	467,000	8,000
Year ago (act)		119,000	3,000	439,000	7,000
Week to date (est)		428,000	7,000	1,835,000	29,000
Same Period Last Week (est)		352,000	6,000	1,453,000	25,000
Same Period Last Year (act)		461,000	9,000	1,757,000	31,000
Saturday 01/05/2019	(est	92,000	0	427,000	1,000
Week ago (est)		86,000	0	431,000	2,000
Year ago (act)		84,000	1,000	366,000	0
Week to date (est)		520,000	7,000	2,262,000	30,000
Same Period Last Week (est)		438,000	6,000	1,884,000	27,000
Same Period Last Year* (act)		545,000	10,000	2,122,000	31,000
2019 Year to Date		449,000	6,000	1,860,000	26,000
2018 *Year to Date		545,000	10,000	2,122,000	31,000

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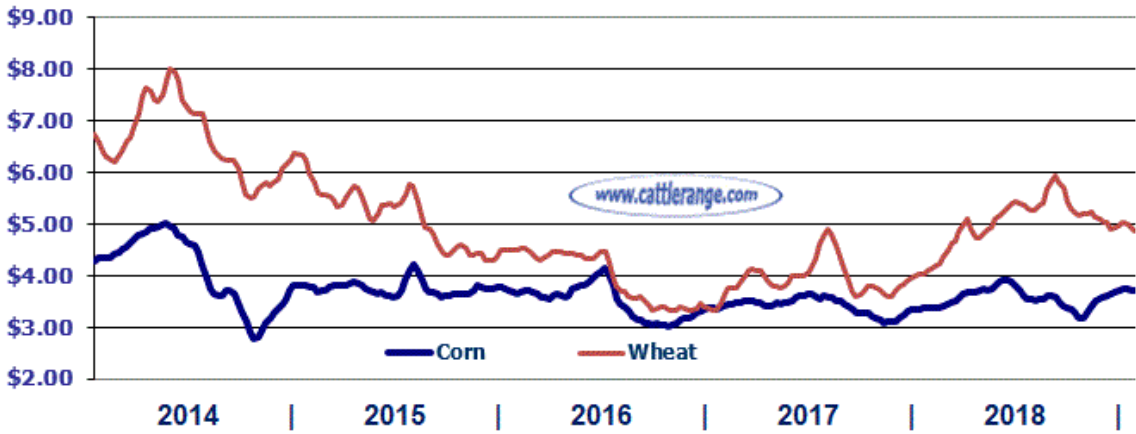
National Grain Summary:

Compared to last week, cash bids for wheat, corn, sorghum and soybeans were mostly higher. Grain futures have made some positive gains this week with corn and soybeans moving above their 50 day averages for the first time since Dec 20th. Ethanol margins are said to have improved this week but may still be an issue with some Midwest plants still ramping down production or remaining in idle. Export sales and shipments were not reported this week due to the government shutdown. Wheat was 2 cents lower to 38 cents higher. Corn was 5 1/4 to 38 1/4 cents higher. Sorghum was 1 to 10 cents higher. Soybeans were 30 3/4 to 35 3/4 cents higher.

Grain Markets:

Grain Prices	This Week	Last Week	1 Month Ago	1 Year Ago	5 Yr. Avg.
Kansas City Corn	3.79	3.69	3.76	3.36	3.65
Kansas City Wheat	4.90	4.86	5.05	4.21	4.92
www.cattlerange.com					
Grain Futures	This Week	Last Week	1 Month Ago	1 Year Ago	5 Yr. Avg.
March Corn	3.8300	3.7850	3.8550	3.5125	3.7668
March Wheat	5.1700	5.1400	5.3125	4.3075	4.9554

5 Year Moving Average - Corn & Wheat



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