

2018 Fall Cattle Marketing



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Global and Macroeconomic Environment

- Changes
 - Political
 - Policy
- Uncertainty
 - Global Economy
 - U.S. Economy
 - Trade
 - Tariffs
 - Exchange Rates
- Volatility



Major Beef Market Factors

- Cattle Inventory and Beef Production
- Beef Demand
- International Trade
- Feed and Input Markets
- Forage Conditions



November Feeder Cattle



March Feeder Cattle



March Feeder Cattle Options

Feeder Cattle Mar '19 (GFH19)

147.975s unch (unch) 10/29/18 [CME]

OPTIONS QUOTES for Tue, Oct 30th, 2018

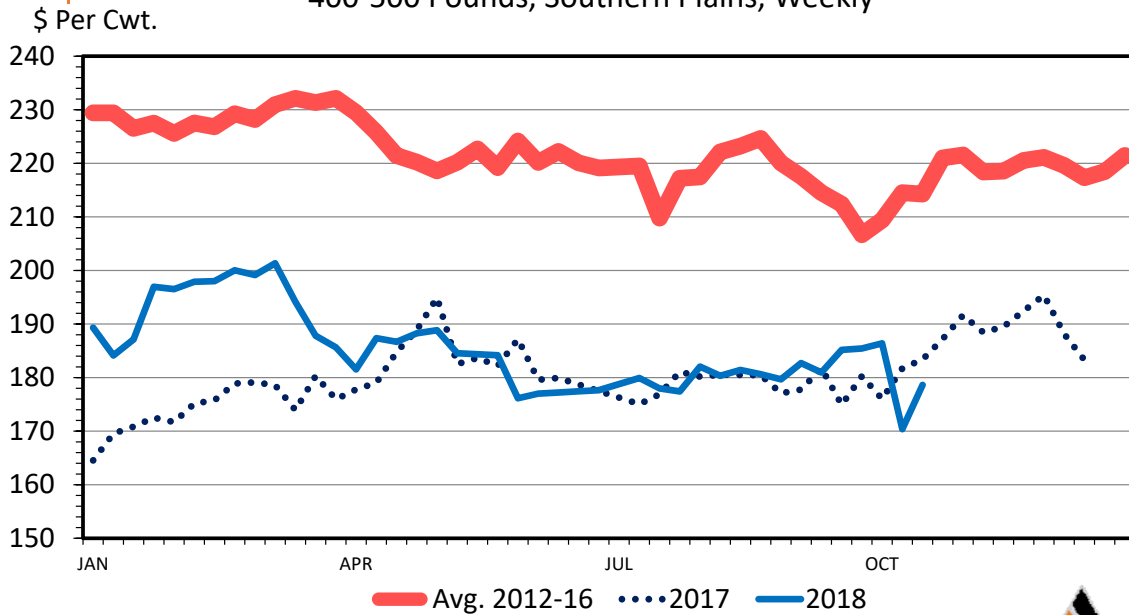
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Options Type:	American Options	Mar 2019	Near the-Money	Stacked	Intraday					
150 Days to expiration on 03/29/19		Implied Volatility: 13.86%			Price Value of Option point: \$500					
Strike	Open	High	Low	Last	Change	Volume	Open Int	Premium	Last Trade	Links
143.000C	N/A	N/A	N/A	8.150s	unch	N/A	N/A	4,075.00	10/29/18	⌵
143.000P	3.300	3.300	3.200	3.200s	-0.150	0	0	1,600.00	10/29/18	⌵
144.000C	N/A	7.500	7.500	7.500s	unch	0	161	3,750.00	10/29/18	⌵
144.000P	3.600	3.600	3.575	3.575s	-0.125	8	451	1,787.50	10/29/18	⌵
145.000C	N/A	N/A	N/A	6.900s	unch	N/A	N/A	3,450.00	10/29/18	⌵
145.000P	N/A	N/A	N/A	3.950s	-0.150	N/A	N/A	1,975.00	10/29/18	⌵
146.000C	N/A	6.325	6.325	6.325s	+0.025	0	43	3,162.50	10/29/18	⌵
146.000P	4.300	4.350	4.300	4.350s	-0.150	18	474	2,175.00	10/29/18	⌵
147.000C	N/A	N/A	N/A	5.775s	+0.025	N/A	N/A	2,887.50	10/29/18	⌵
147.000P	4.025	4.025	4.000	4.000s	-0.125	0	0	2,400.00	10/29/18	⌵



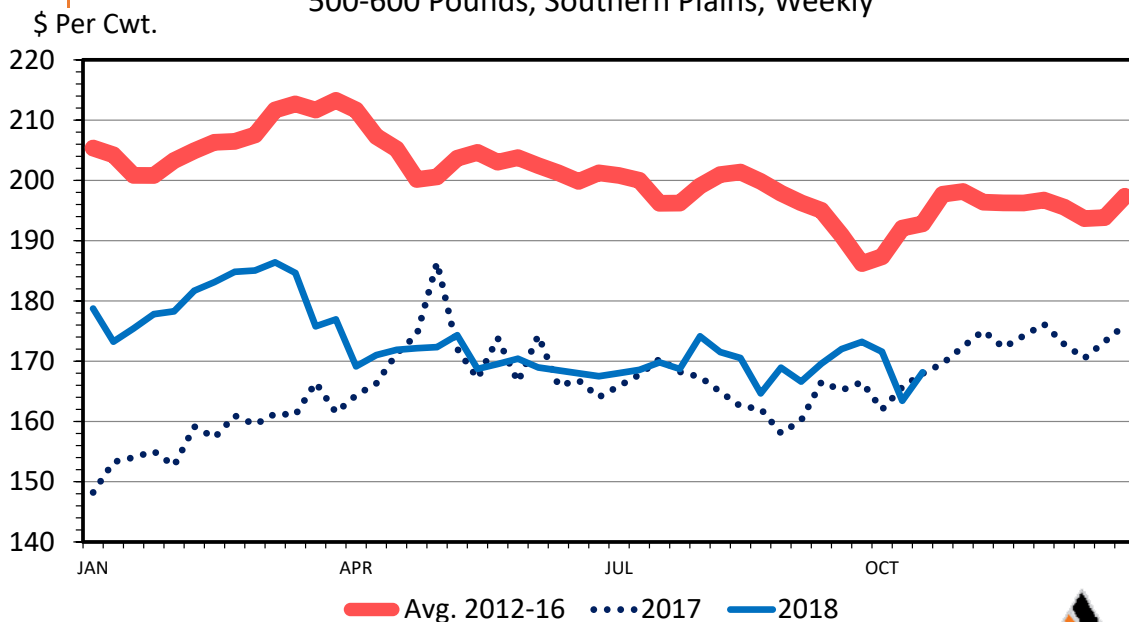
MED. & LRG. #1 STEER CALF PRICES 400-500 Pounds, Southern Plains, Weekly



Data Source: USDA-AMS
Livestock Marketing Information Center



MED. & LRG. #1 STEER CALF PRICES 500-600 Pounds, Southern Plains, Weekly

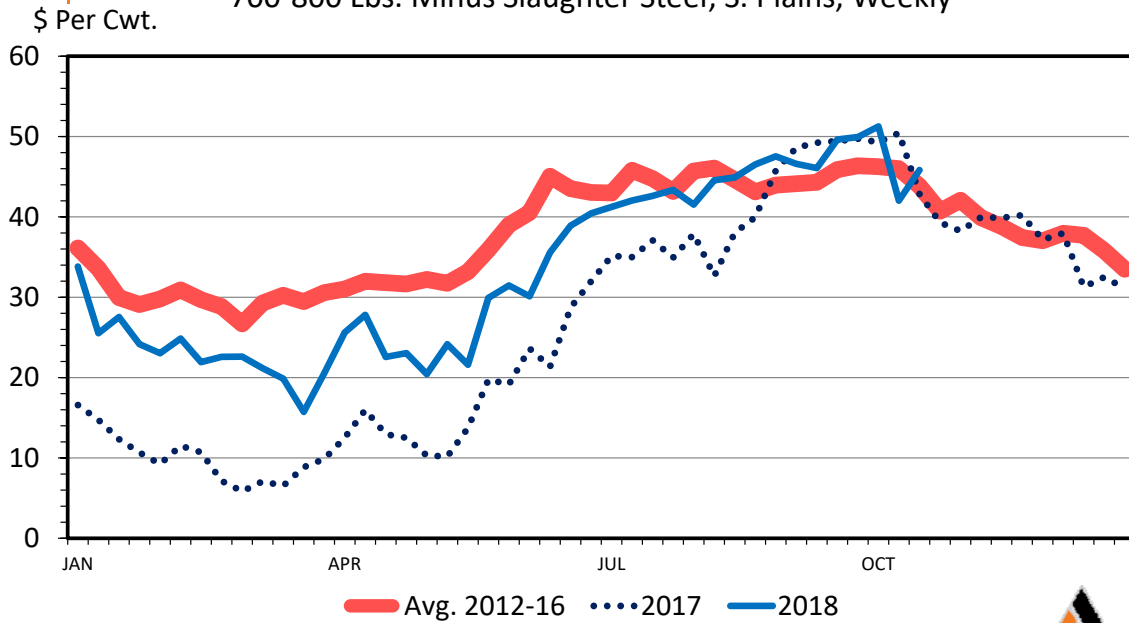


Data Source: USDA-AMS
Livestock Marketing Information Center



FEEDER STEER vs FED STEER PRICES

700-800 Lbs. Minus Slaughter Steer, S. Plains, Weekly

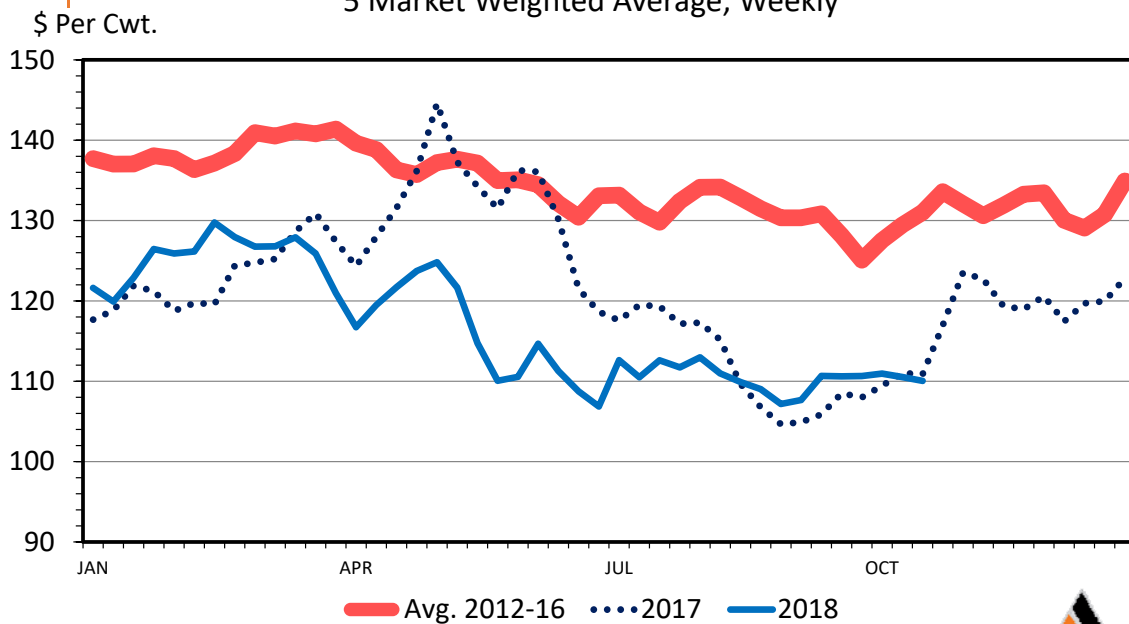


Data Source: USDA-AMS, Compiled by LMIC
Livestock Marketing Information Center



SLAUGHTER STEER PRICES

5 Market Weighted Average, Weekly

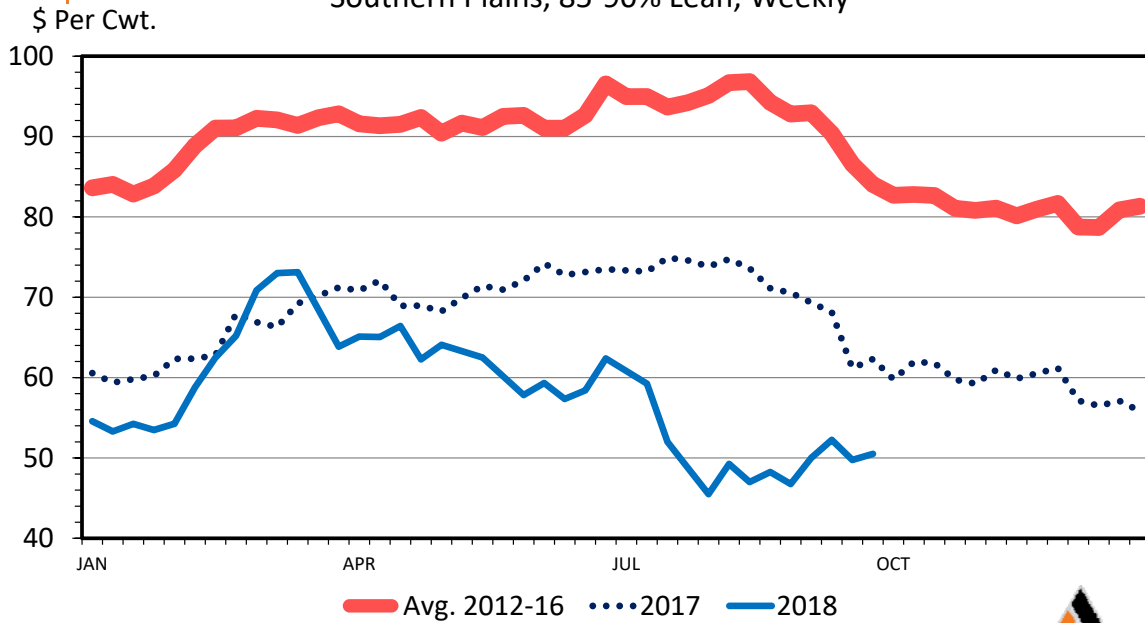


Data Source: USDA-AMS
Livestock Marketing Information Center



SLAUGHTER COW PRICES

Southern Plains, 85-90% Lean, Weekly

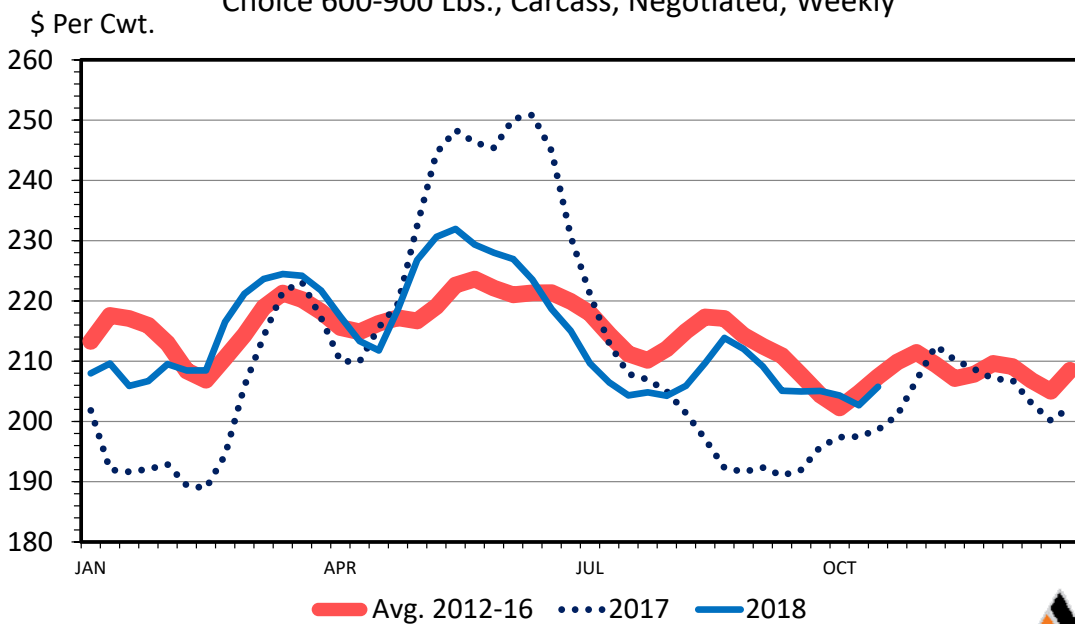


Data Source: USDA-AMS
Livestock Marketing Information Center



BOXED BEEF CUTOUT VALUE

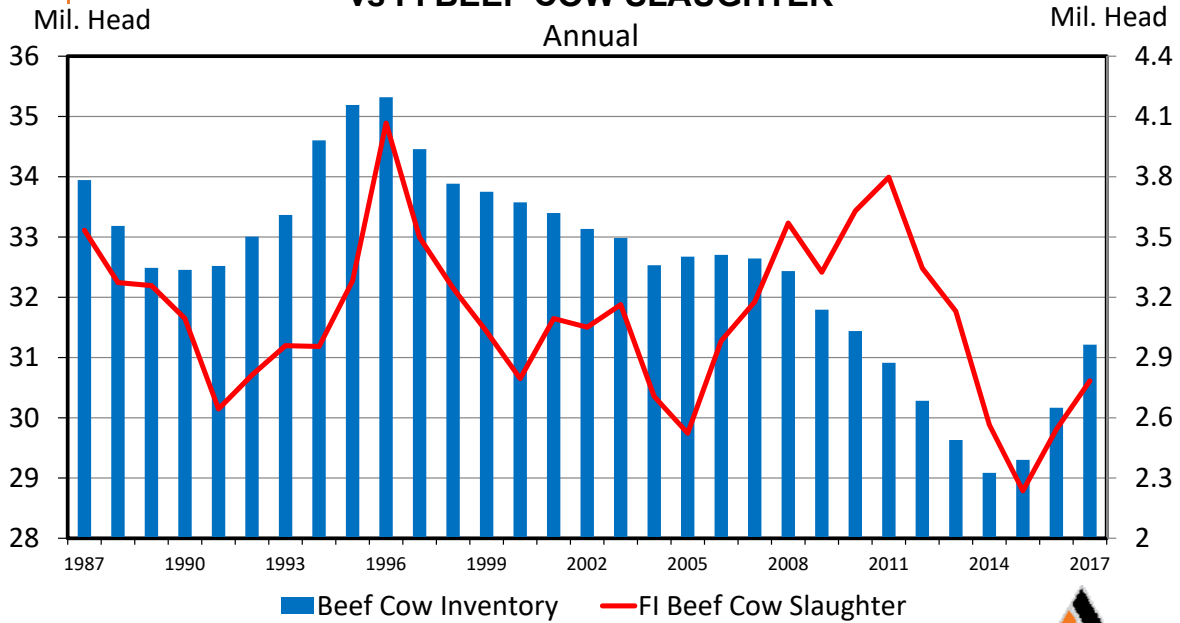
Choice 600-900 Lbs., Carcass, Negotiated, Weekly



Data Source: USDA-AMS
Livestock Marketing Information Center



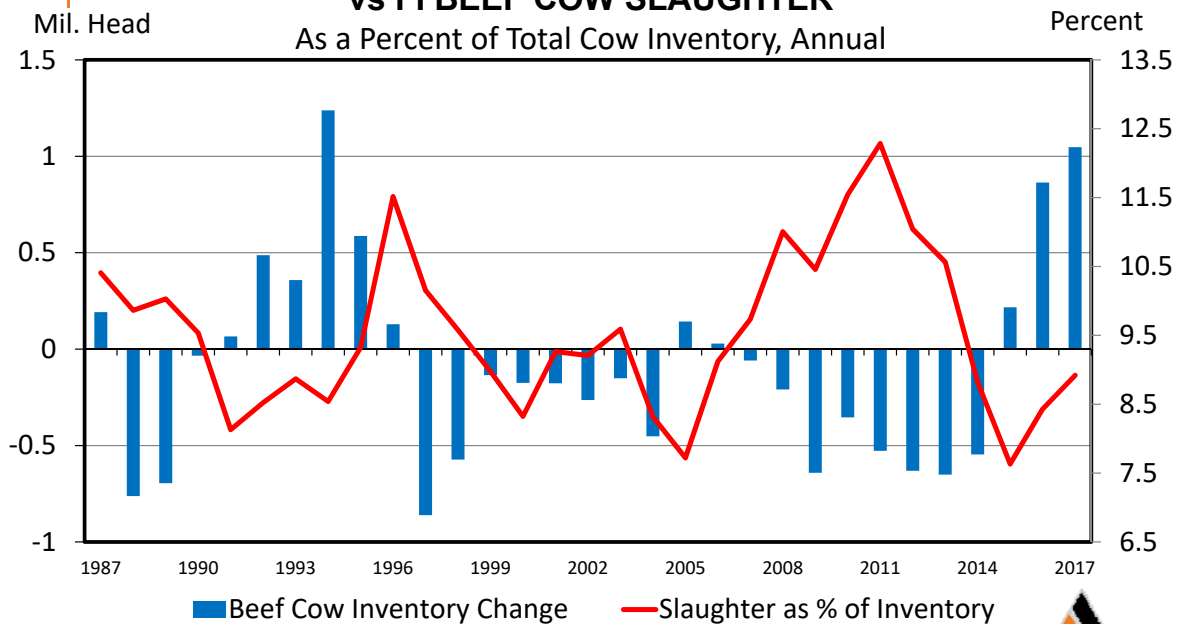
US BEEF COW INVENTORY vs FI BEEF COW SLAUGHTER



Data Source: USDA-NASS
Livestock Marketing Information Center



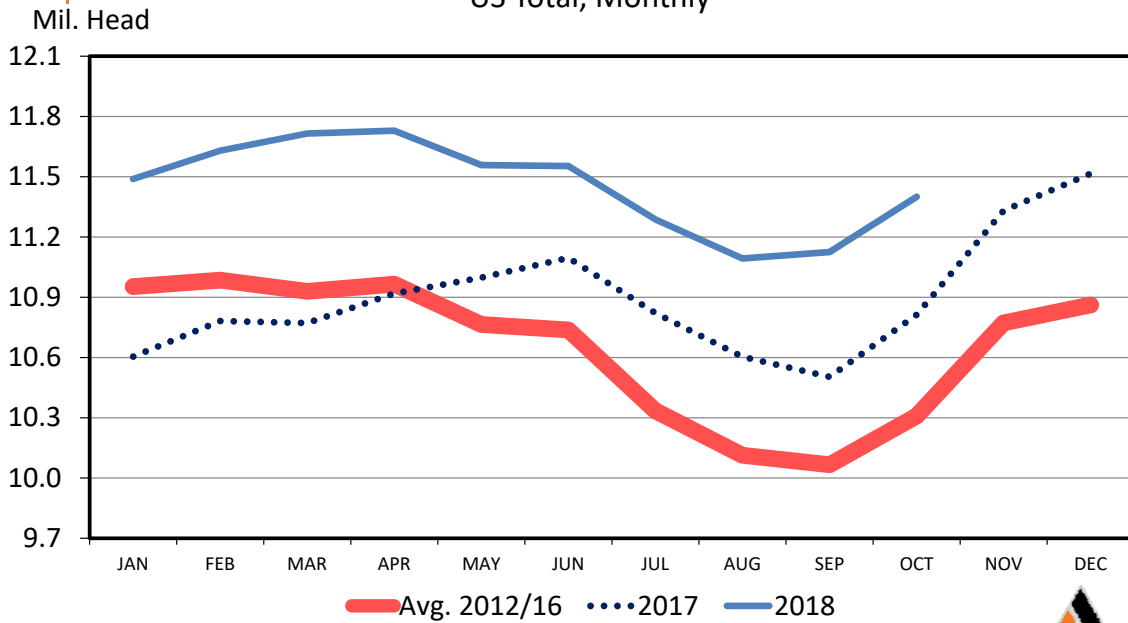
US BEEF COW INVENTORY CHANGE vs FI BEEF COW SLAUGHTER



Data Source: USDA-NASS
Livestock Marketing Information Center



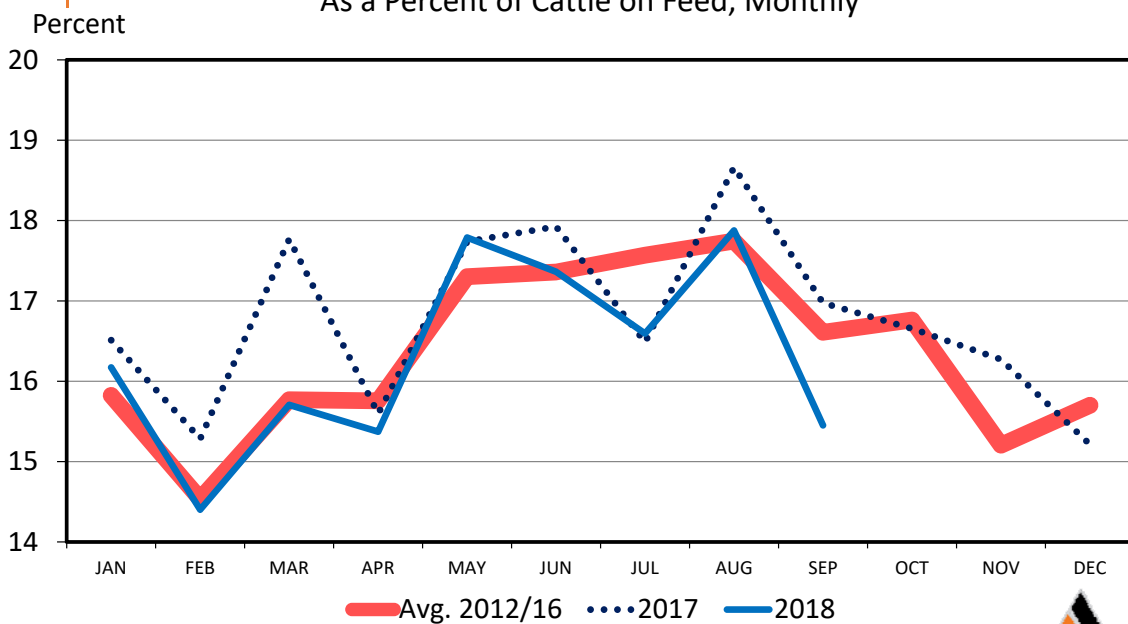
CATTLE ON FEED US Total, Monthly



Data Source: USDA-NASS
Livestock Marketing Information Center



FED CATTLE MARKETINGS As a Percent of Cattle on Feed, Monthly

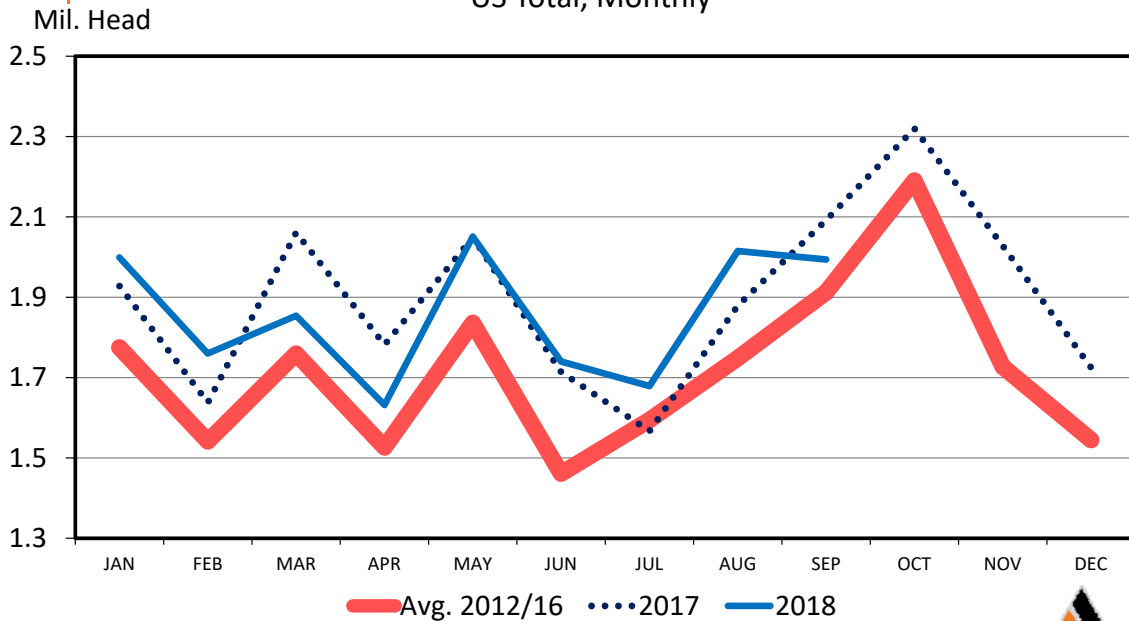


Data Source: USDA-NASS, Compiled by LMIC
Livestock Marketing Information Center



NET FEEDLOT PLACEMENTS

US Total, Monthly



Data Source: USDA-NASS, Compiled by LMIC
Livestock Marketing Information Center



2018 Meat Production and Consumption

	Production					Consum.	Consum.	Consum.
	2016	2017	2016-2017	2018	2017 - 2018	m. Change	Per Capita	m. Change
	Million lbs.	Million lbs.	% Change	Million lbs.	% Change	% Change	Retail Lbs.	% Change
Beef	25221	26187	+3.8	27126	+3.6	+2.5	57.5	+1.1
Pork	24941	25584	+2.6	26596	+4.0	+0.0	51.3	+2.4
Broilers	40261	41217	+2.4	42089	+2.1	+1.3	91.9	+1.2
Total	97193	99739	+2.6	102516	+2.8	+1.1	219.3	+1.3

2018 forecast

LMIC, August 17, 2018



Marketing-It requires a plan!



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