



For Immediate Release

Allendale, Inc. Releases Cattle on Feed and Cold Storage Estimates

CHICAGO, IL. (January 19, 2018) – The following are our estimates for the coming Cattle on Feed and Cold Storage reports:

December Placements are expected 3.9% under last year at 1.715 million head. The year over year decline in December is noteworthy as it stops the 10.2% to 13.9% year over year increases in the three previous months. Profitability concerns have been recognized. Finished cattle from December through March are estimated with a \$123 breakeven according to Kansas State University. This increases to \$126 and \$129 for April and May. December placements supply the May through August slaughter period.

Allendale anticipates a Marketing total in December at 1.5% under last year for a total of 1.750 million. This would be the second largest December in six years. There was one more weekday in December 2017 than December 2016. Actual marketings, at 2.9% over last year, were therefore revised down to 1.5% under last year for this report.

Total Cattle on Feed as of January 1 is 7.6% over last year at 11.415 million. This is the largest January 1 total in six years.

USDA CATTLE ON FEED REPORT

	Allendale Estimate
ON FEED JANUARY 1	107.6
PLACEMENTS	96.1
MARKETINGS	98.5

Cattle on Feed is estimated as a percentage compared to last year.

Allendale projects a 475 million lb. total pork stock level for the end of December. The five-year average is 526 million lbs. Our estimate represents a decrease of 30 million lb. from the previous month. The five-year average month to month change for December is a 9 million lb. decrease. Beef stocks, at 503 million lbs., are over the five-year average of 486. This month’s estimate represents an increase of 16 million lbs. from the previous month. The five-year average shows a 19 million lb. increase for this month.

USDA COLD STORAGE

	Last Year	Last Month	Allendale Estimate
PORK STOCKS DEC 31	475.387	504.975	475.392
BEEF STOCKS	567.888	486.954	502.606

Cold Storage is reported in million lbs.

For questions and comments, please contact Rich Nelson, Chief Strategist at 800-262-7538 or rnelson@allendale-inc.com.

More information on Allendale can be found at www.allendale-inc.com/media.