



For Immediate Release

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

CHICAGO, IL. (July 17, 2018) – The following are our estimates for the coming Cattle on Feed and Cold Storage reports:

June Placements are expected 6.6% over last year at 1.887 million head. This would make it two months in a row of year over year increases. Heavier placements than expected were noted in the face of sharp losses on outgoing cattle in June. Kansas State models implied a loss of \$219 per head on June marketings. June placements, for finishing from December through March, are expected to have a \$121 breakeven. The remainder of the year is set to be unprofitable as well with breakevens from \$116 to \$120.

Allendale anticipates a Marketing total in June at 1.4% under last year for a total of 1.961 million. This would be the largest June marketing in seven years.

Total Cattle on Feed as of July 1 comes to 5.8% over last year at 11.450 million. This is the largest July 1 total in the history of the current data series back to 1996.

USDA CATTLE ON FEED REPORT

	Allendale Estimate
ON FEED JULY 1	105.8
PLACEMENTS	106.6
MARKETINGS	98.6

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

Allendale projects a 591 million lb. total pork stock level for the end of June. The five-year average is 577 million lbs. Our estimate represents a decrease of 30 million lb. from the previous month. The five-year average month to month change for June is a 42 million lb. decrease. Beef stocks, at 472 million lbs., are over the five-year average of 439. This month's estimate represents an increase of 6 million lbs. from the previous month. The five-year average shows a 3 million lb. decrease for this month.

USDA COLD STORAGE

	Last Year	Last Month	Allendale Estimate
PORK STOCKS JUN 30	559.010	621.736	591.498
BEEF STOCKS	415.326	465.387	471.660

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.