



For Immediate Release

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

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

May Placements are expected 1.4% lower than last year at 2.089 million head. This marks three months in a row of year over year declines. Concerns over cattle feeding margins have limited interest in new placements. May and June finished cattle have a \$128 breakeven according to Kansas State University. The remainder of the year is set to be unprofitable as well with breakevens from \$118 to \$122. May placements supply the September through December slaughter period.

Allendale anticipates a Marketing total in May at 5.2% over last year for a total of 2.052 million. This would be the largest May marketing in ten years.

Total Cattle on Feed as of June 1 comes to 3.8% over last year at 11.519 million. This is the largest June 1 total in the history of the current data series back to 1996.

USDA CATTLE ON FEED REPORT

	Allendale Estimate
ON FEED JUNE 1	103.8
PLACEMENTS	98.6
MARKETINGS	105.2

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

Allendale projects a 629 million lb. total pork stock level for the end of May. The five-year average is 619 million lbs. Our estimate represents a decrease of 13 million lb. from the previous month. The five-year average month to month change for May is a 24 million lb. decrease. Beef stocks, at 455 million lbs., are over the five-year average of 442. This month’s estimate represents a decrease of 17 million lbs. from the previous month. The five-year average shows a 23 million lb. decrease for this month.

USDA COLD STORAGE

	Last Year	Last Month	Allendale Estimate
PORK STOCKS MAY 31	588.216	641.407	628.720
BEEF STOCKS	411.498	471.545	455.032

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.