

AUG 1 COF

➤ Placements – not far from estimates- but way larger than we thought

	Act	Trade Guess				MPA		
		Avg Est	Low	High	Act vs Avg Est	MPA Est	MPA Diff	MPA (-) Avg. Est.
COF	98.4%	98.1%	97.4%	98.4%	0.3%	97.5%	-1.0%	-0.6%
Place	93.9%	91.1%	87.0%	94.0%	2.8%	86.7%	-7.2%	-4.4%
Mkt	94.3%	94.1%	94.0%	94.7%	0.2%	93.2%	-1.1%	-0.9%

➤ Placements

- *Weeks adj., placements down 95k hd (-6.1%), about smallest in 8 years for June
- YTD we are down 525K hd, if we adjust for MX, it would be nearly impossible to argue domestic numbers are down YOY.
- TX place are easily on 5 yr lows
- IA/SD/PNW all on 5yr highs.

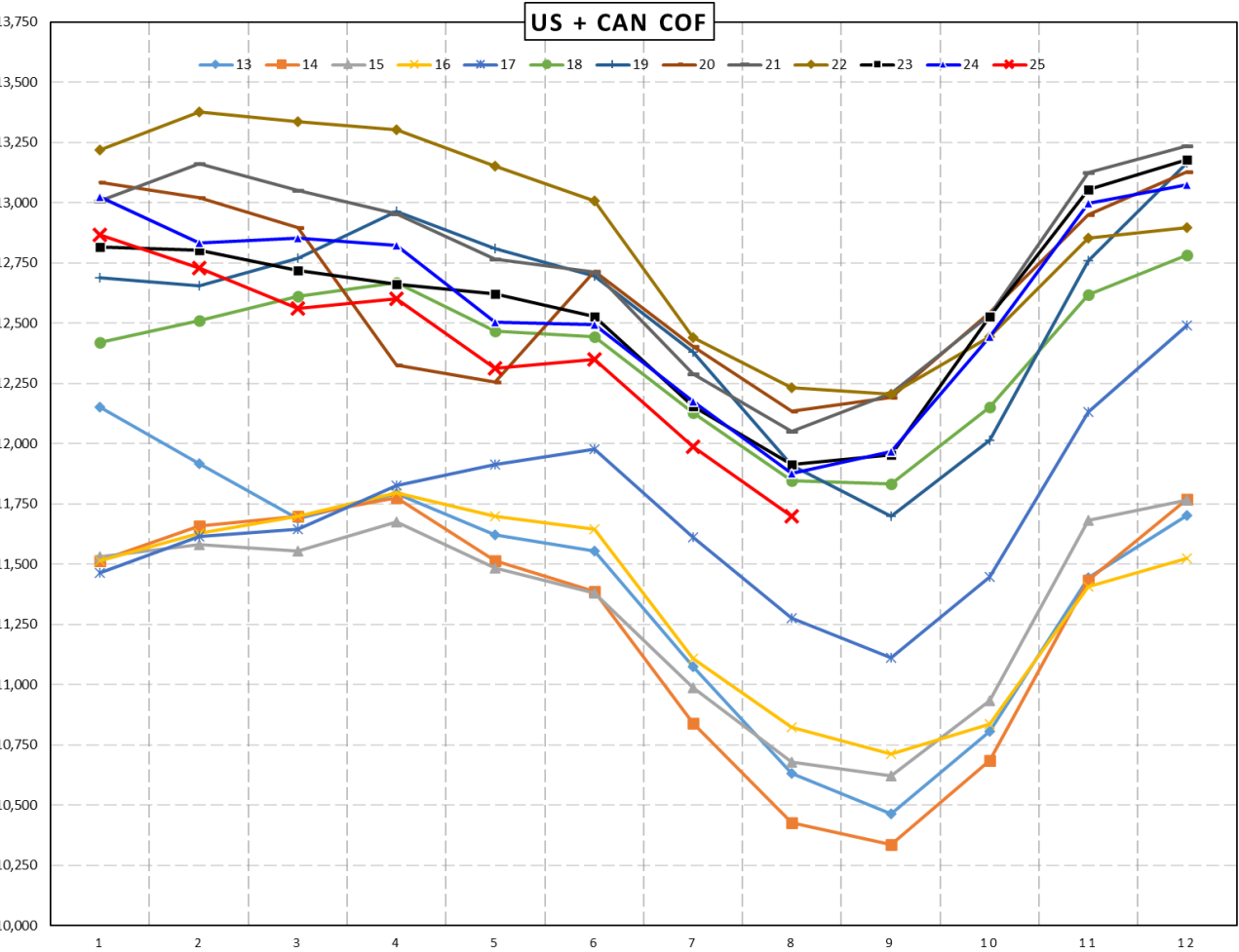
➤ COF

- US COF + CAN -176k hd (-1.5% YOY)
- TX -250k HD YOY (-9.1%), still 50k > 2015; KS +60K YOY (2.7%) (370K> 2014 lows)
- NE is RECORD FOR JULY (320k > THAN 2013 LOWS), +70k hd YOY (+6.2%)
- IA/SD is 250K> lows in 2014, but 56K < 20222, up 40K YOY (4.6% YOY)
- Cornbelt in total is record for July (40K > 2018), up 110K YOY (3.4%)
- PNW is also record for July (+235K hd vs 2014- +66%) this is 30K YOY (5.4%)
- AZ/CA on 5 yr lows, -63K hd -8.3%

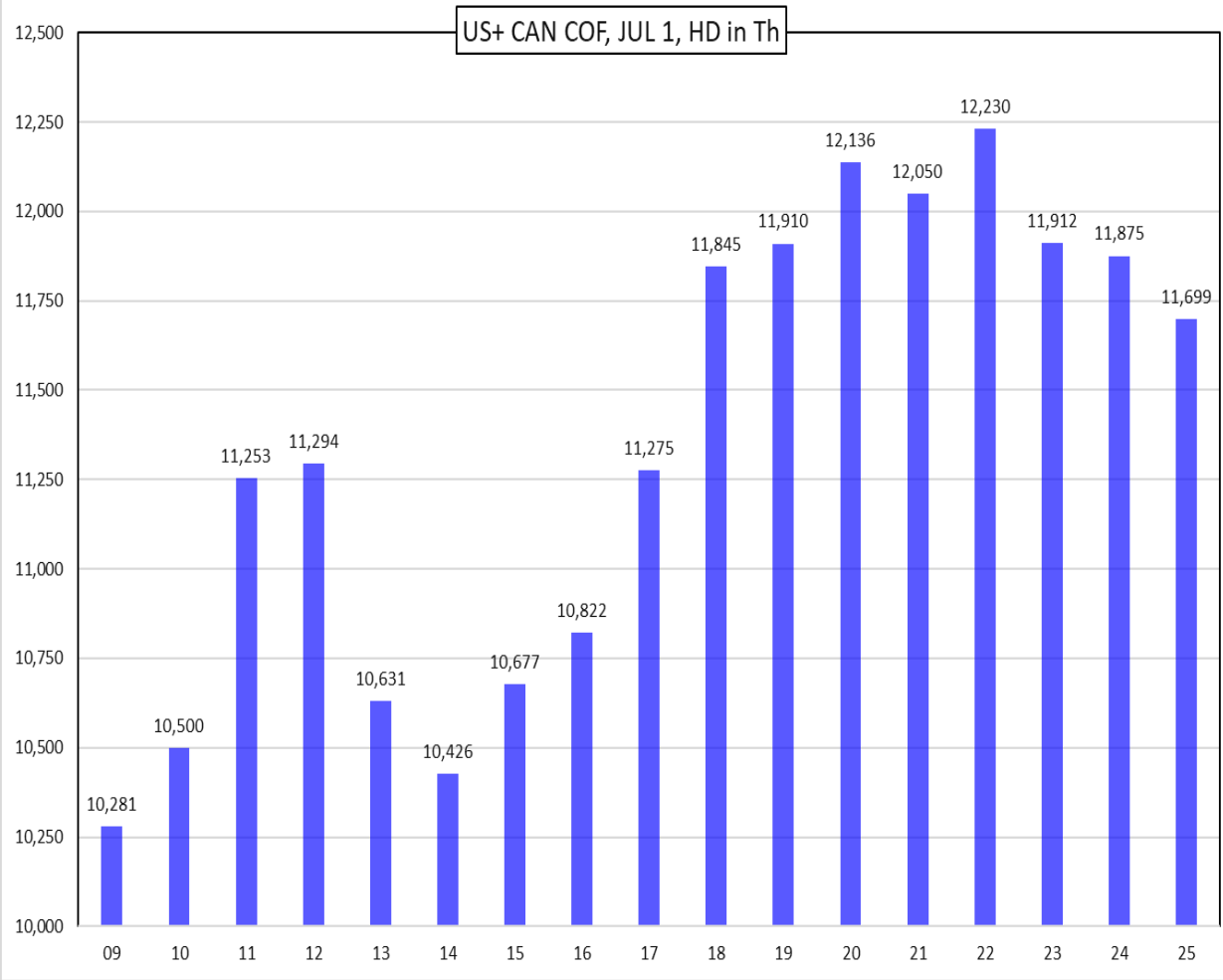
➤ Carryover/Kill cuts/DOF/ Placed Against

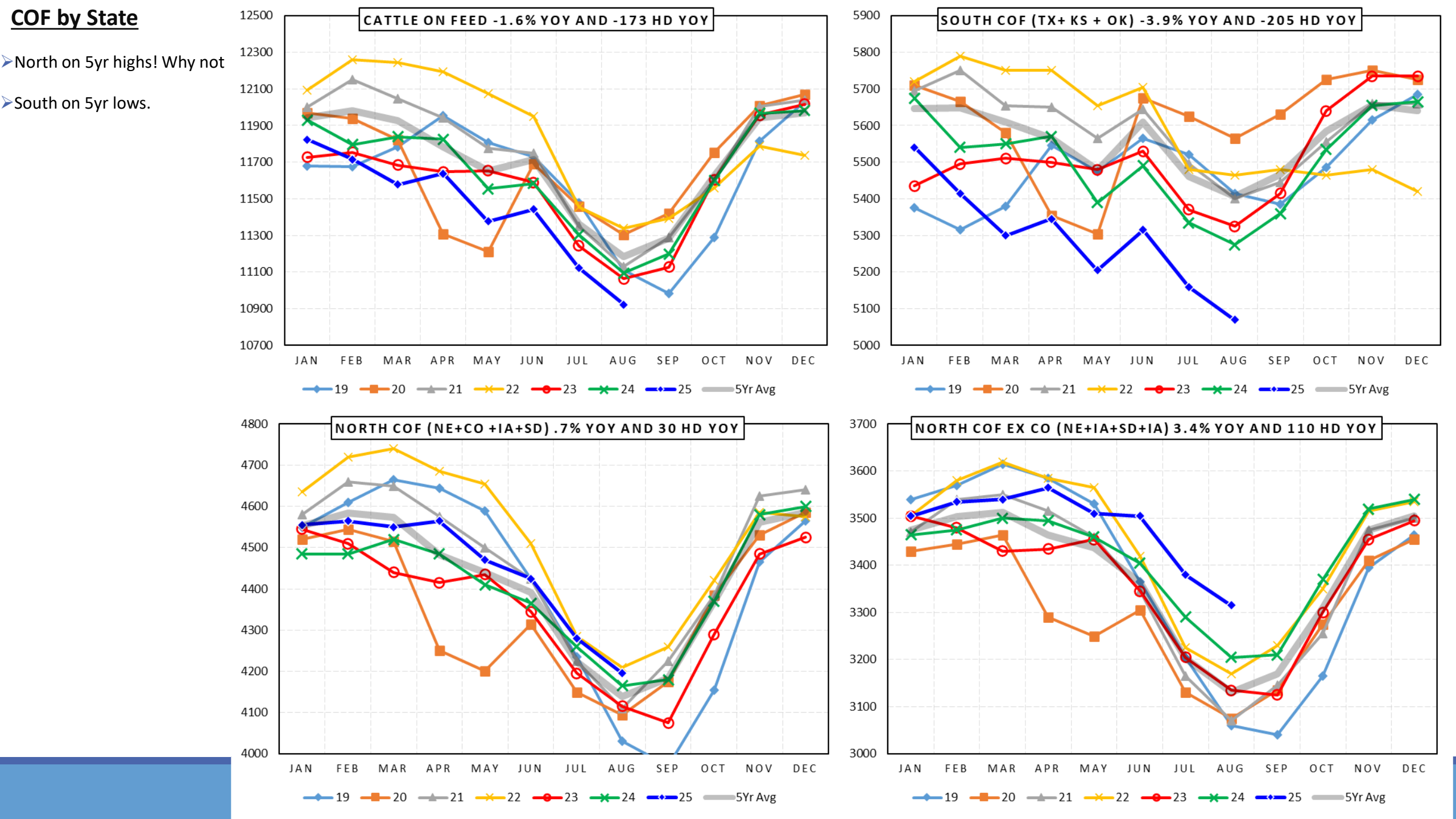
- Carryover for 1 mo, Aug was the 3rd largest in our dataset behind 2 mo in covid (275K hd)
- If packers (big if) keep kills cut we are backing up some numbers. So what? Placements are dropping though? Well we have an interesting situation with COF growing in the north and falling fast in the south.
- Not sure what gives here, but we can build the argument that kills don't have to be any lower in this cycle than what they were in Aug. The smallest we have Placed against right now is Feb/Mar at 450 (nearly 20k higher than what we have been doing). Throw in carryover and we may see kills not have to go < 450 here.
- Guessing....
 - Aug-Sep 480 (no change)
 - OND (451 no change)
 - JAN-APR (440 – no change)

North American COF



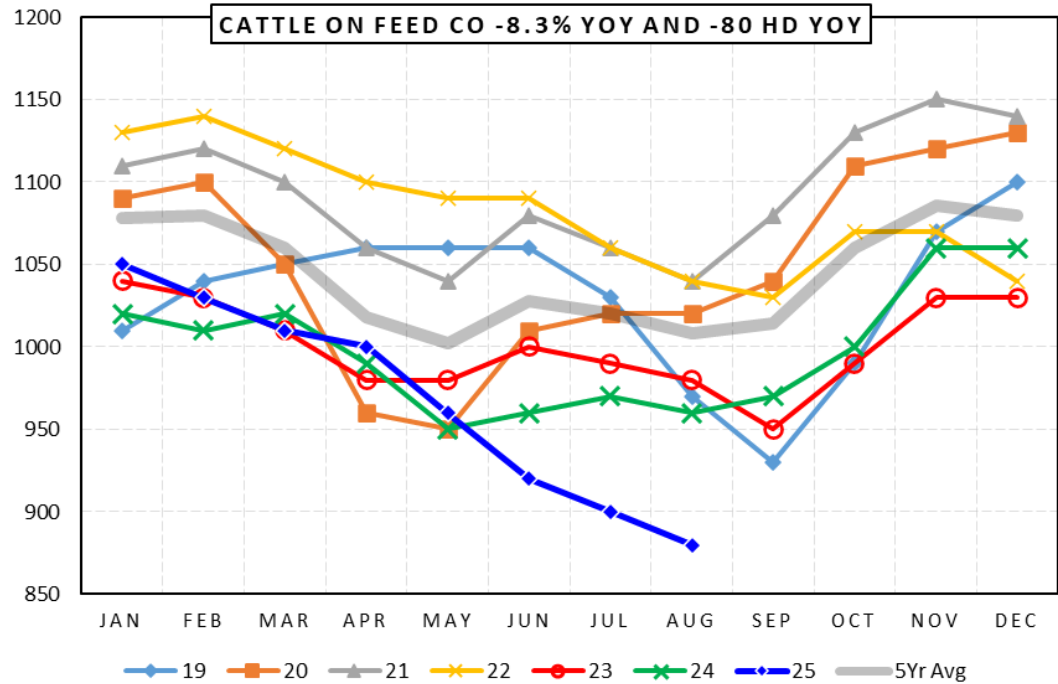
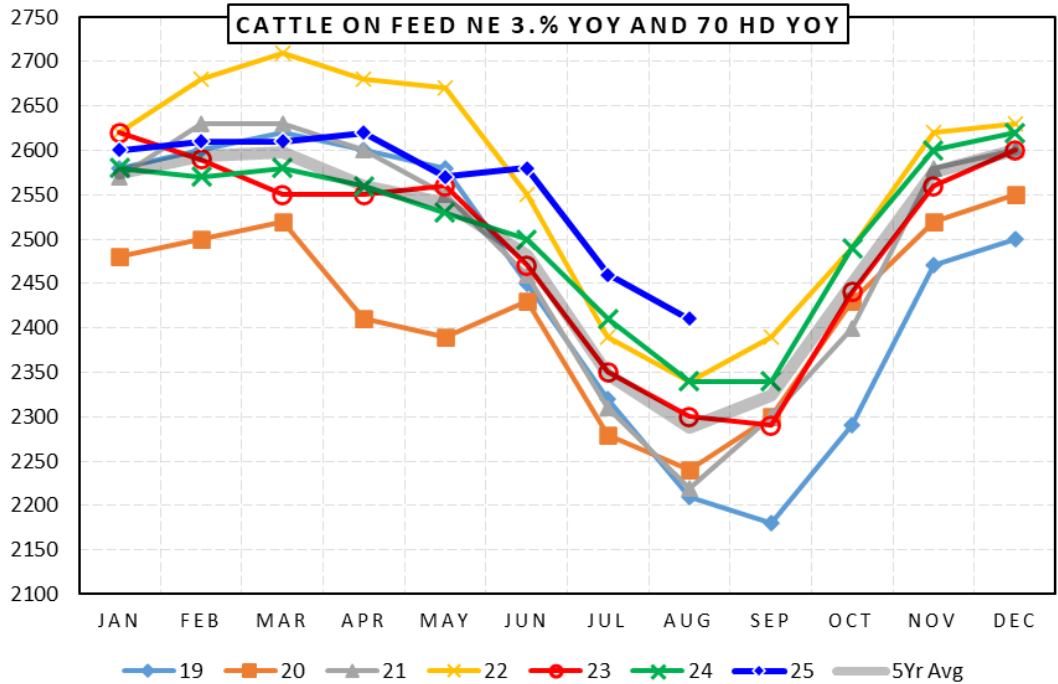
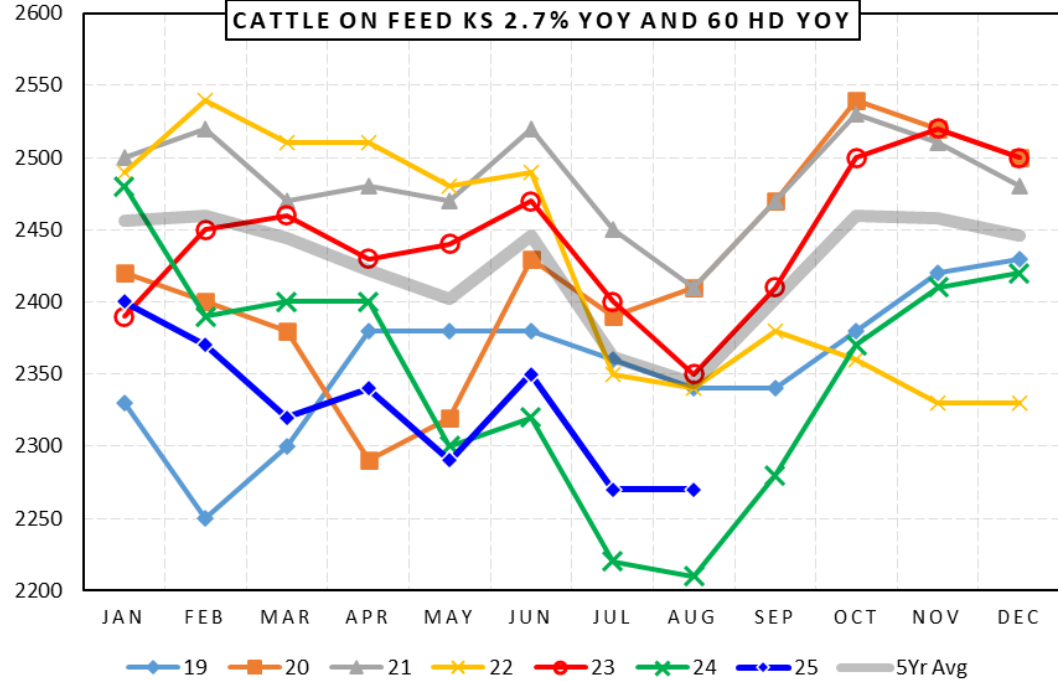
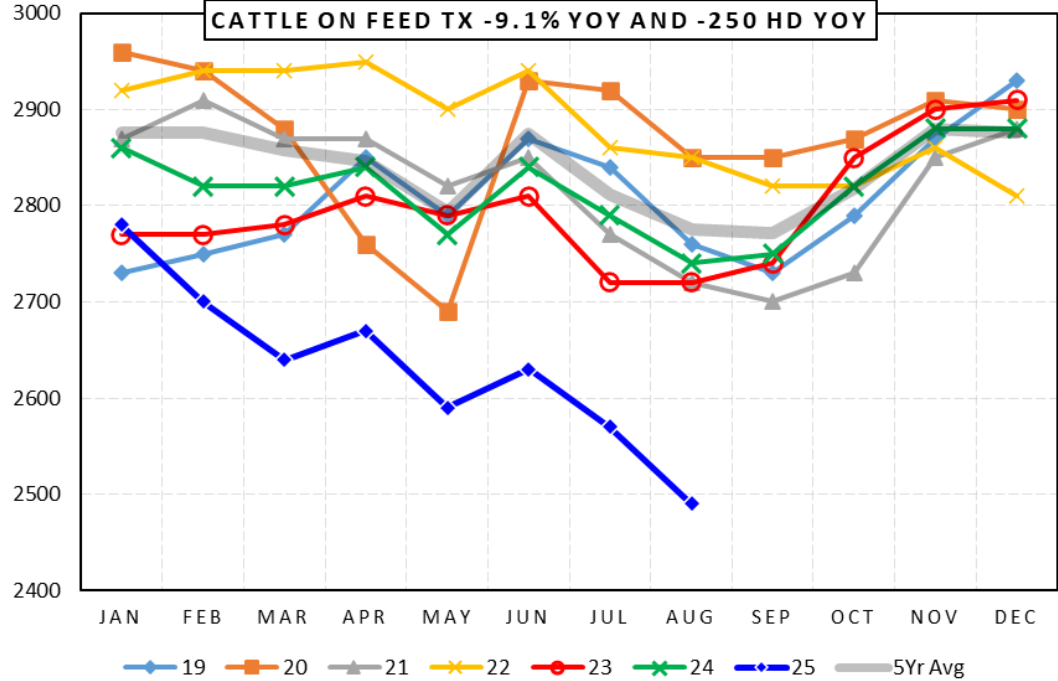
➤ US COF + CAN -176k hd (-1.5% YOY)





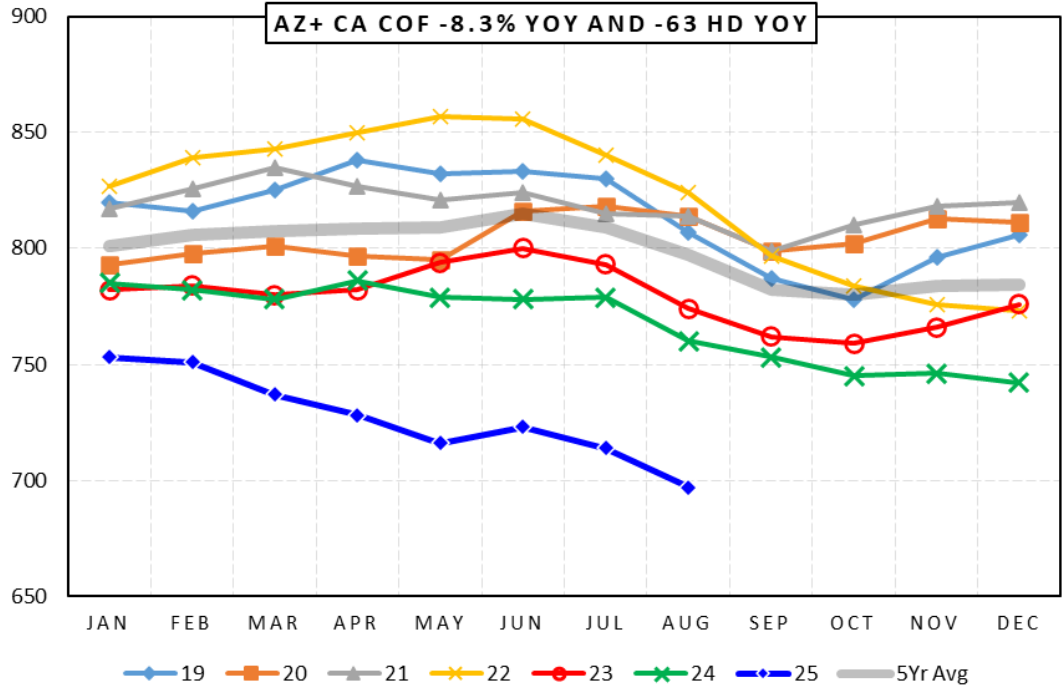
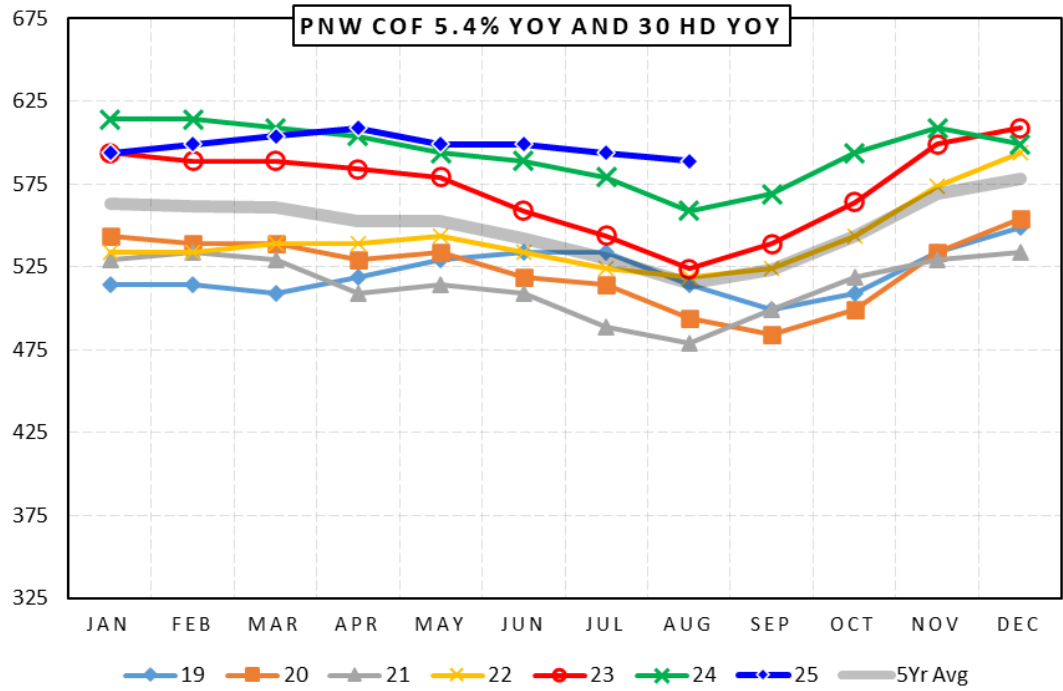
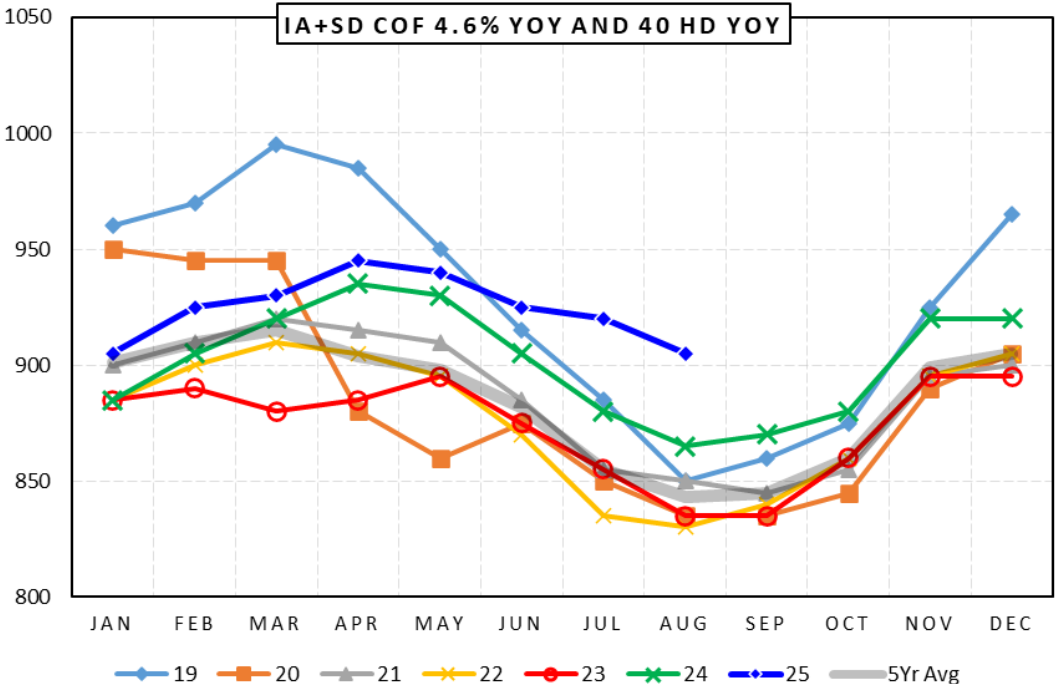
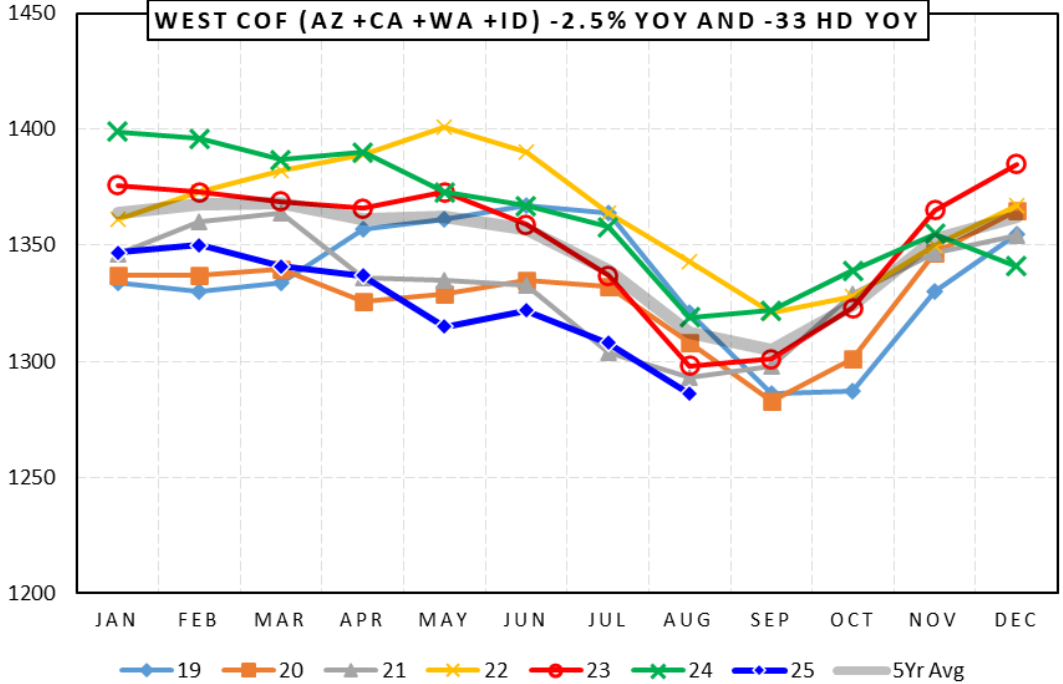
COF by State

Cattle headed north...

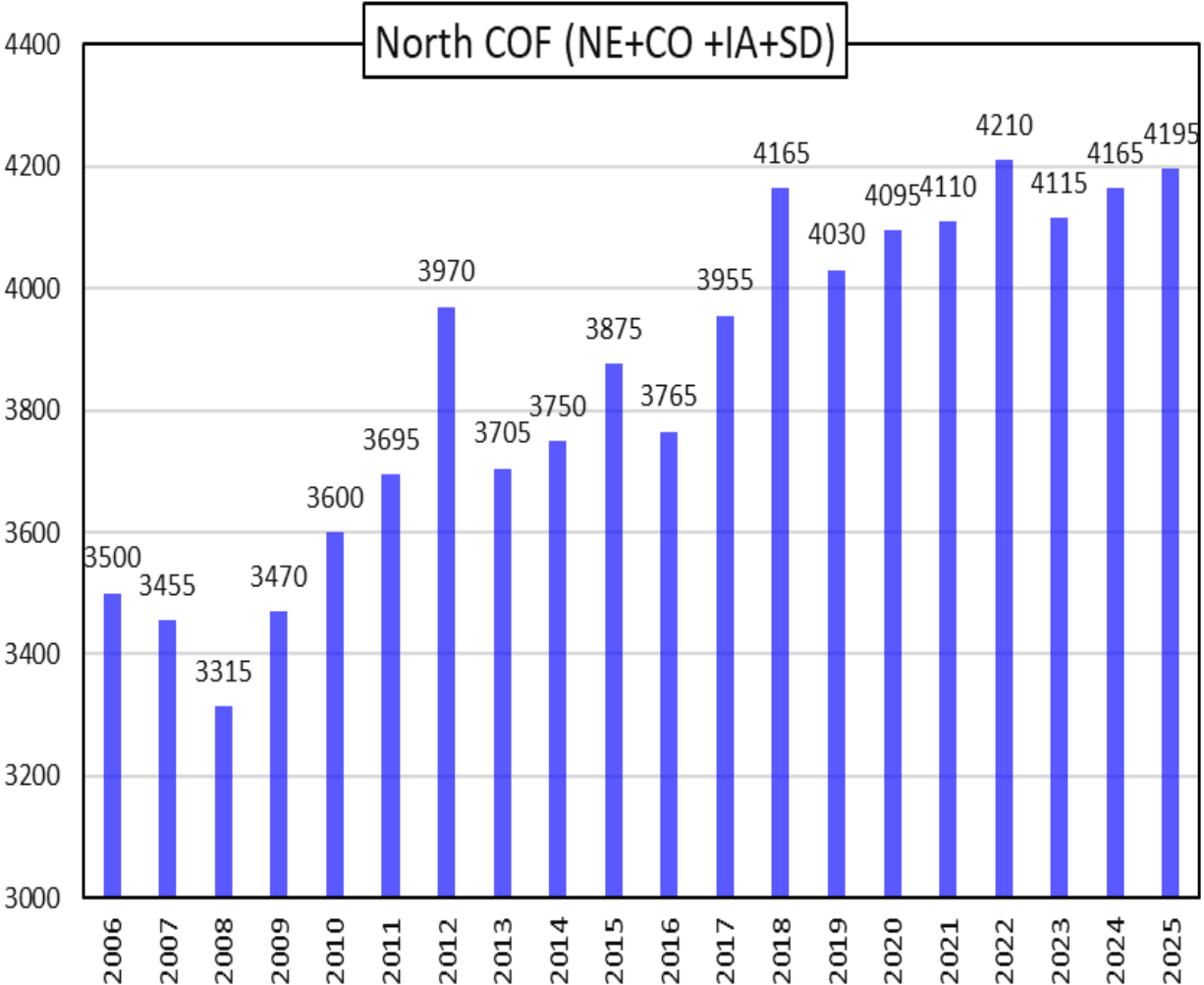
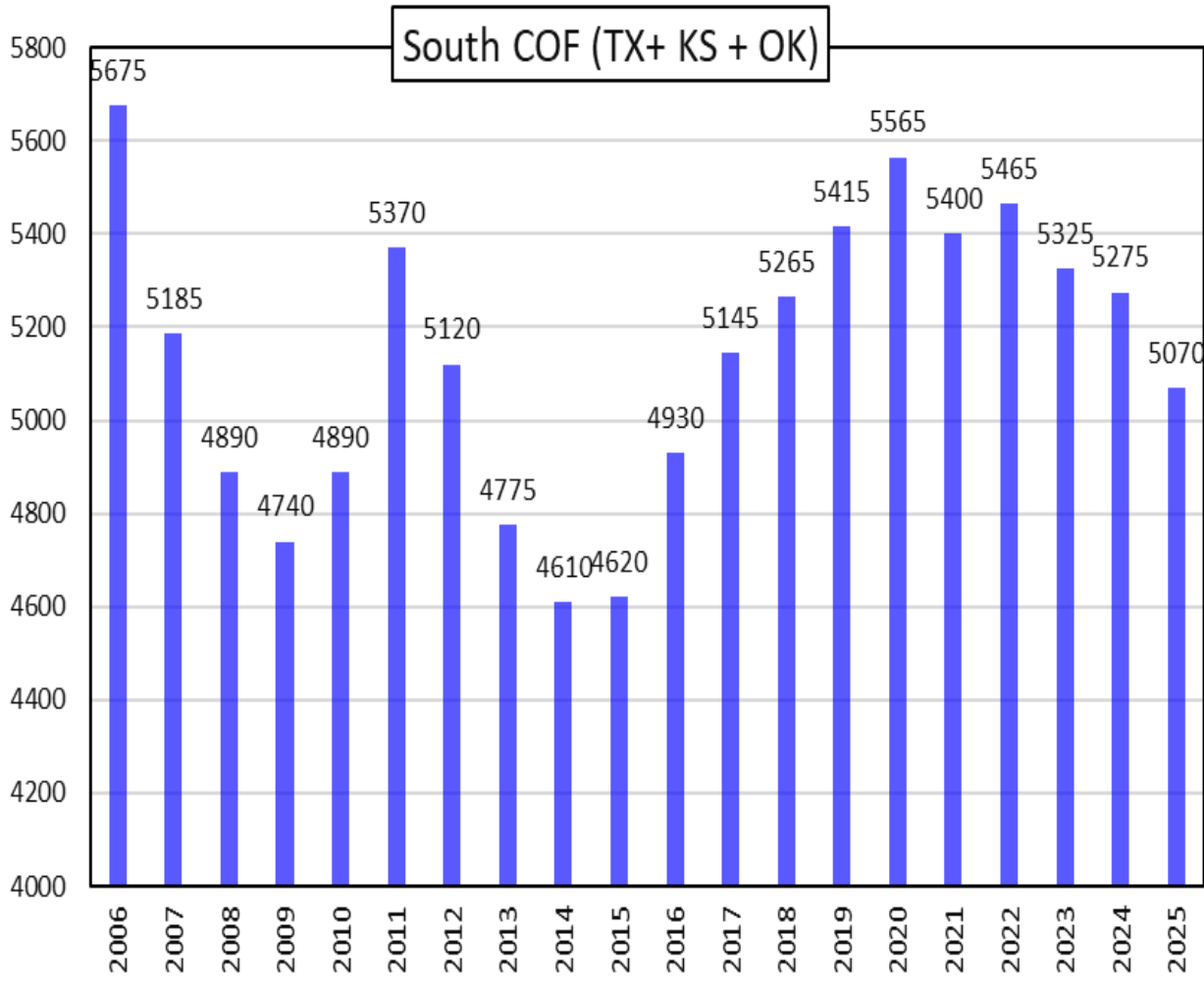


COF by State

- Cornbelt on 5yr highs
- PNW on 5yr highs
- Az/ca well into 5yr lows

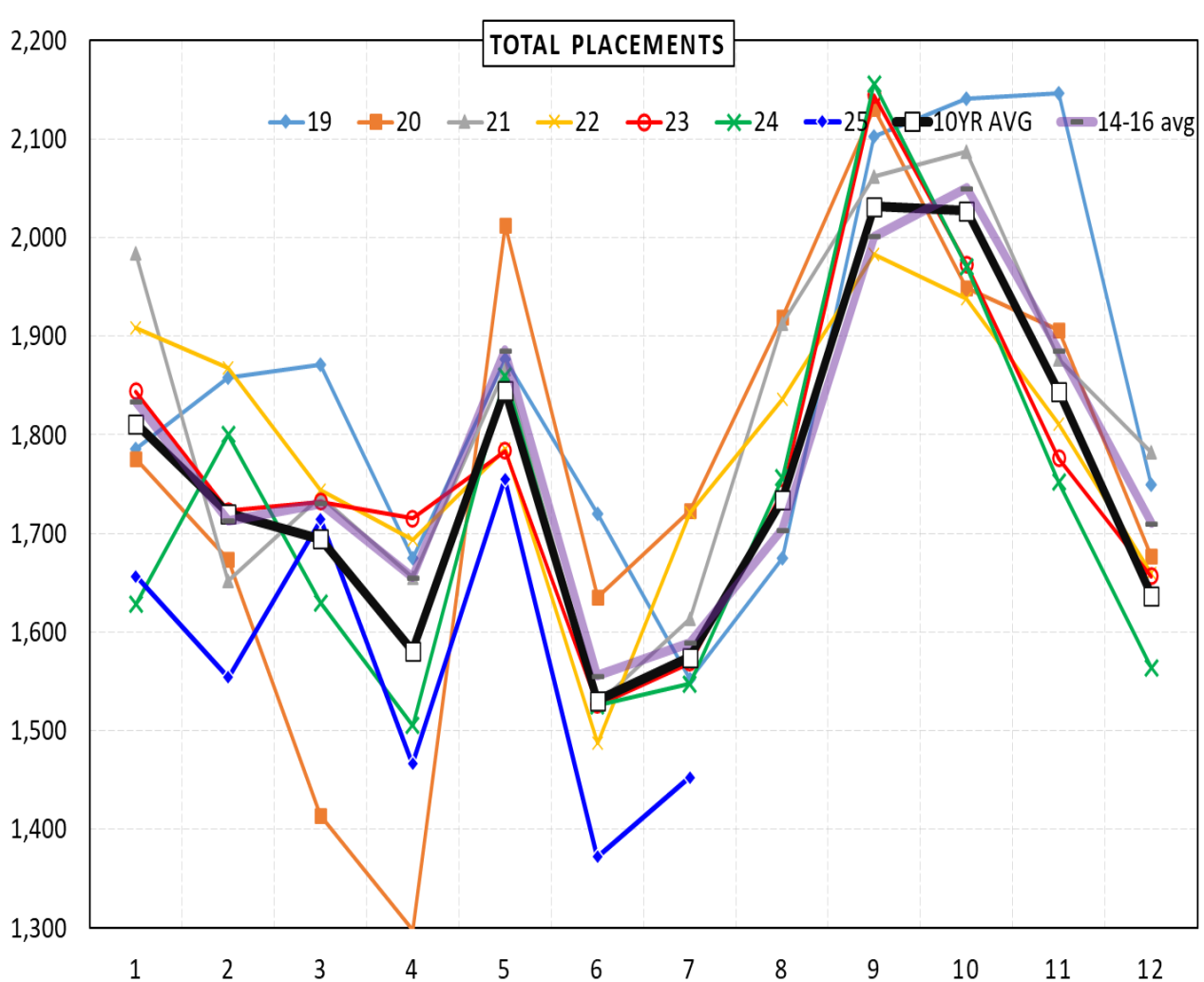
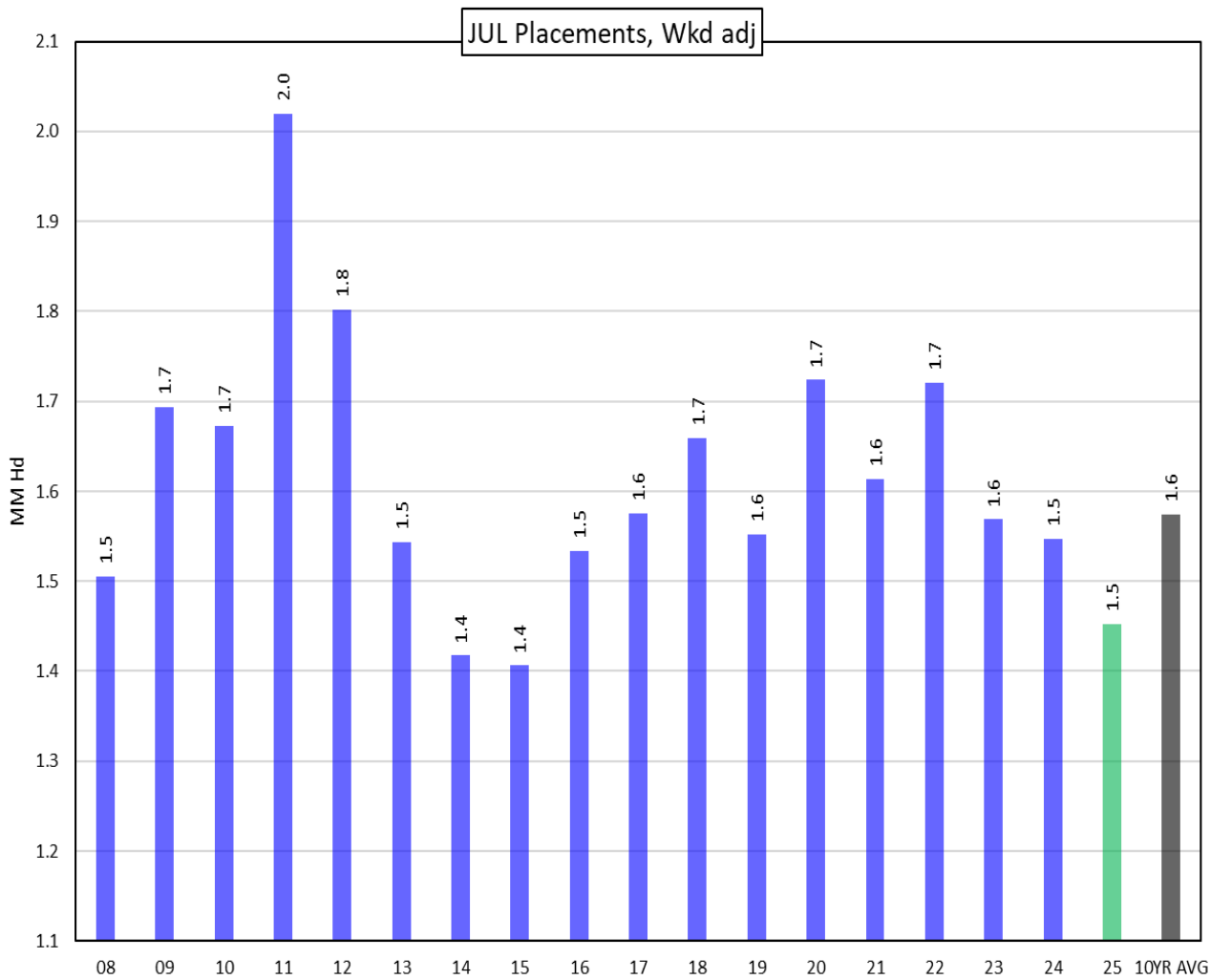


COF South vs North



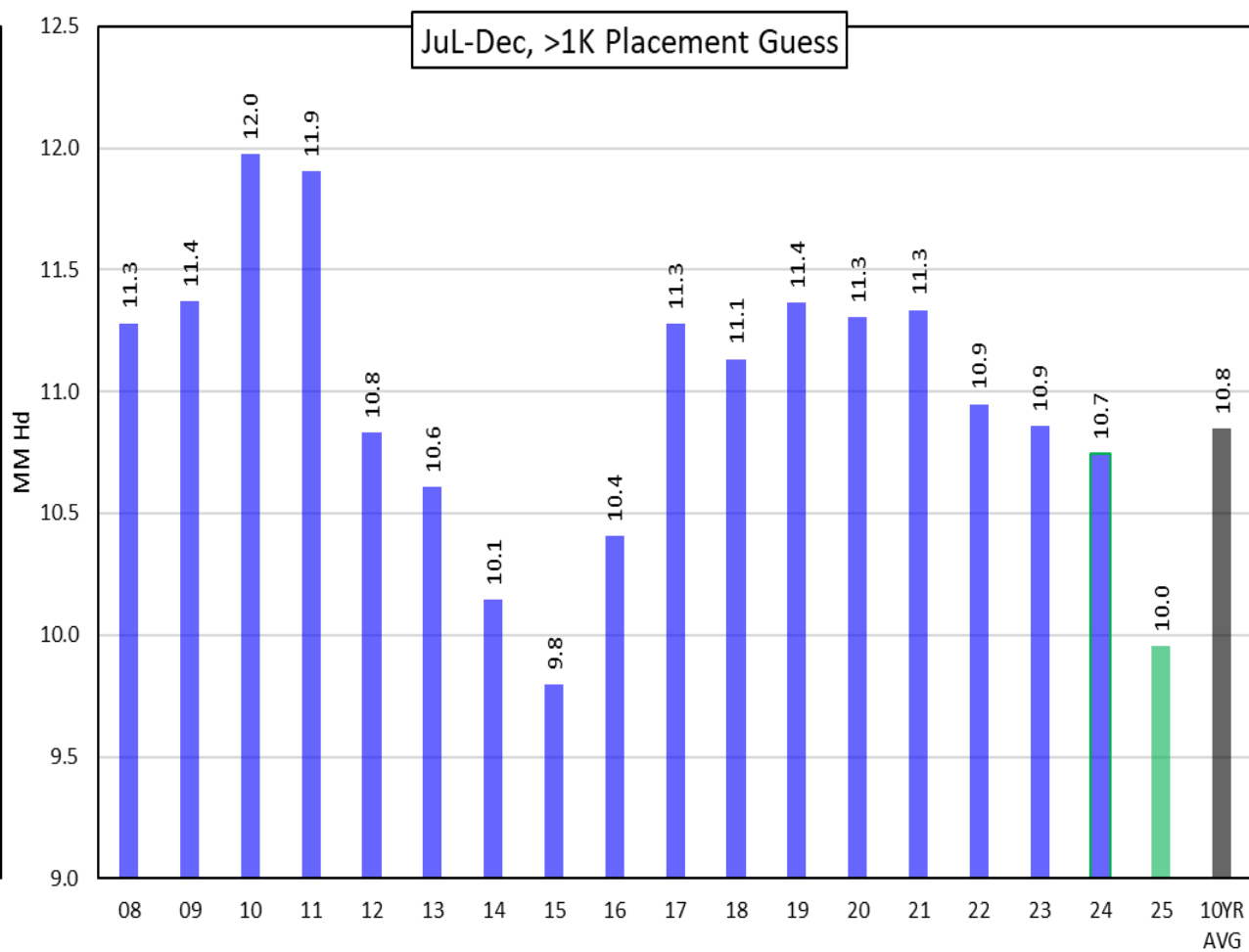
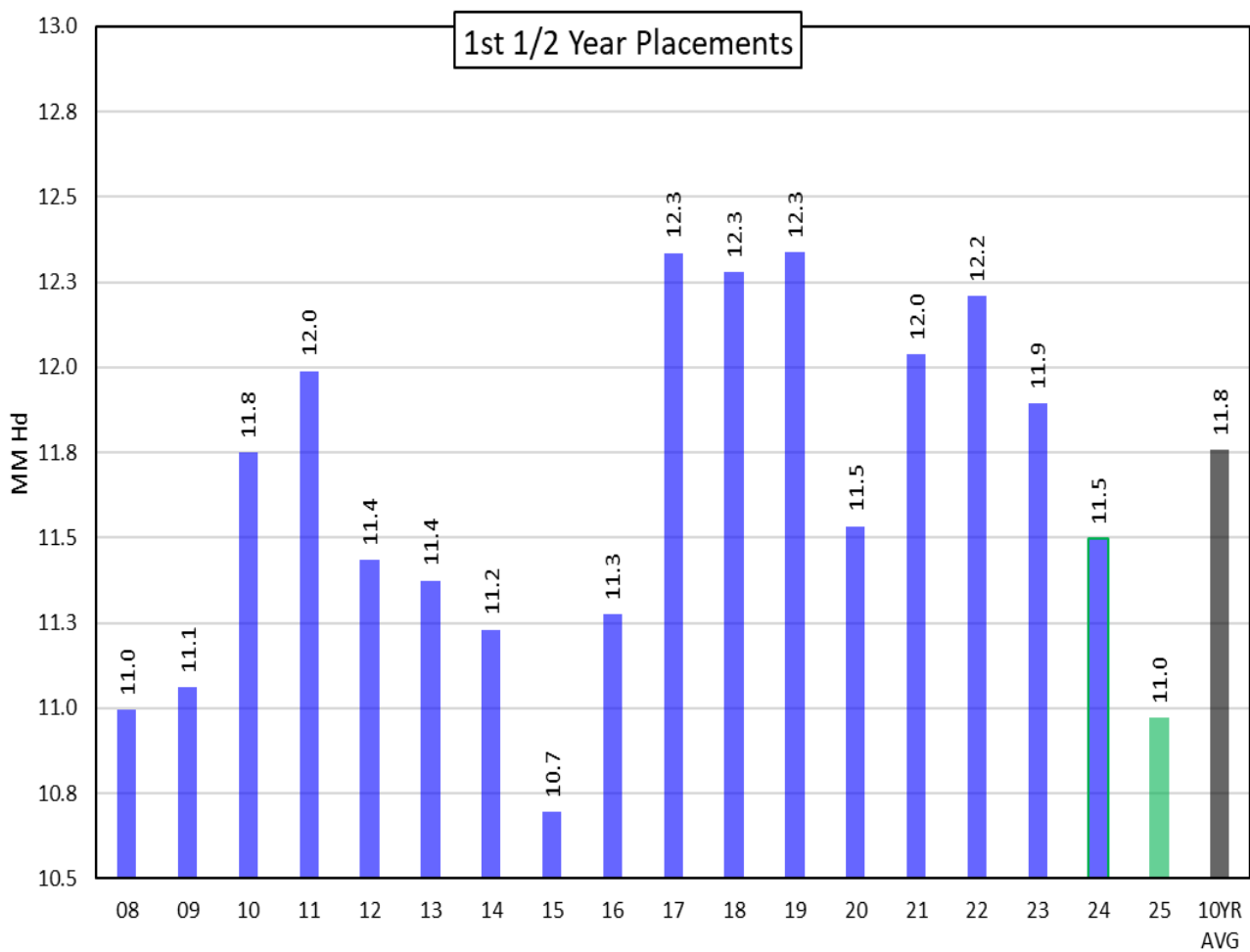
➤ COF IN SOUTH, OFF ~500K VS PEAK, NORTH ESSENTIALLY RECORD

Placements



➤ Not record, low, but close.

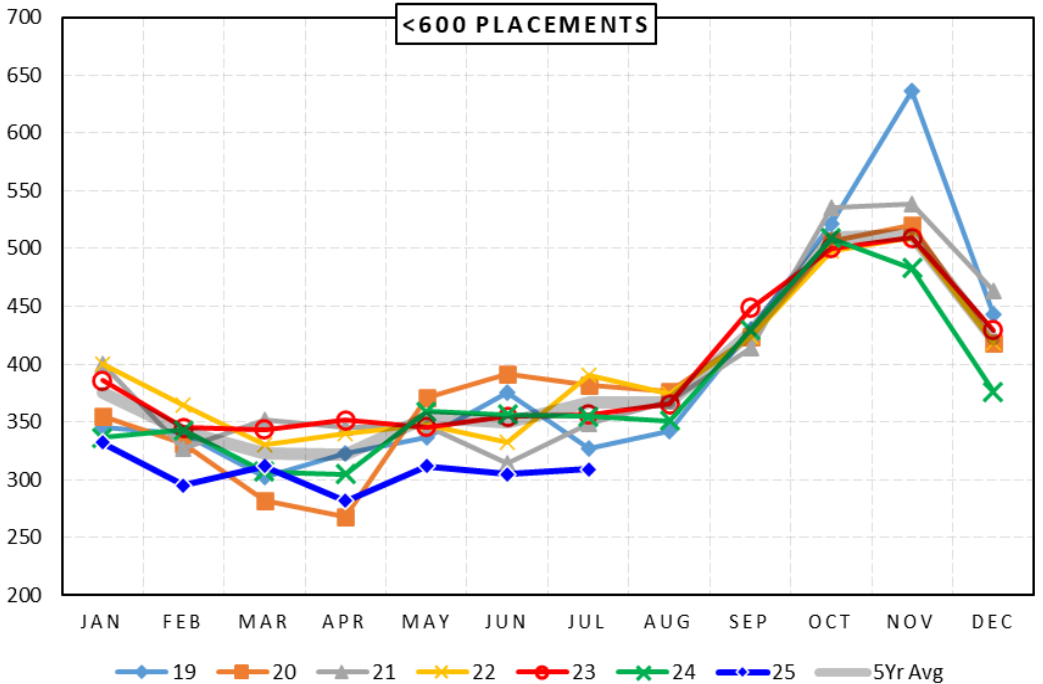
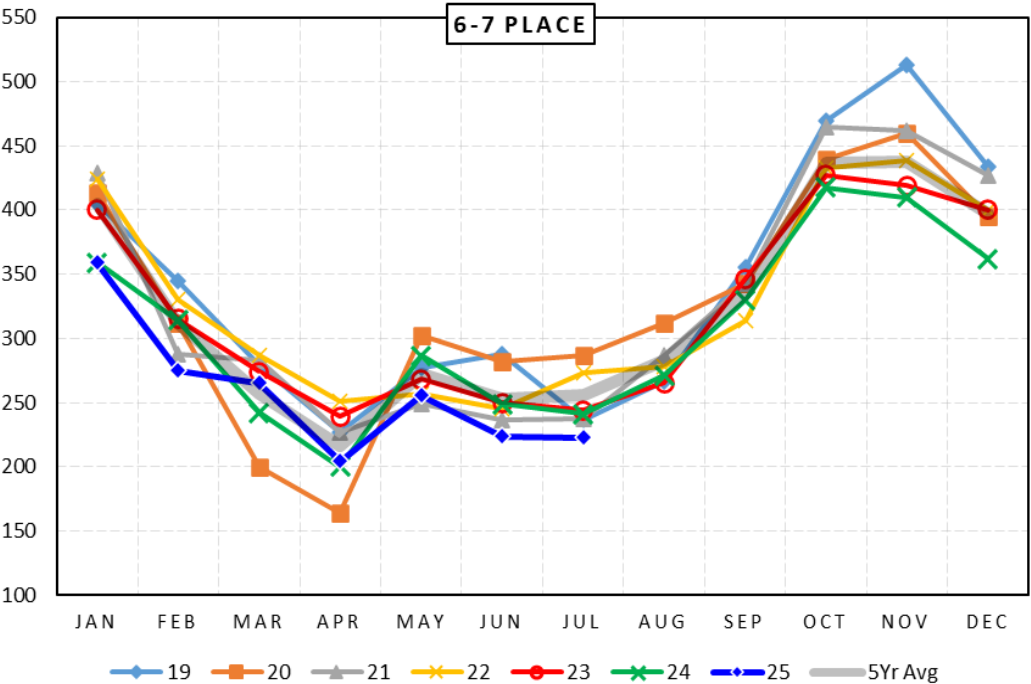
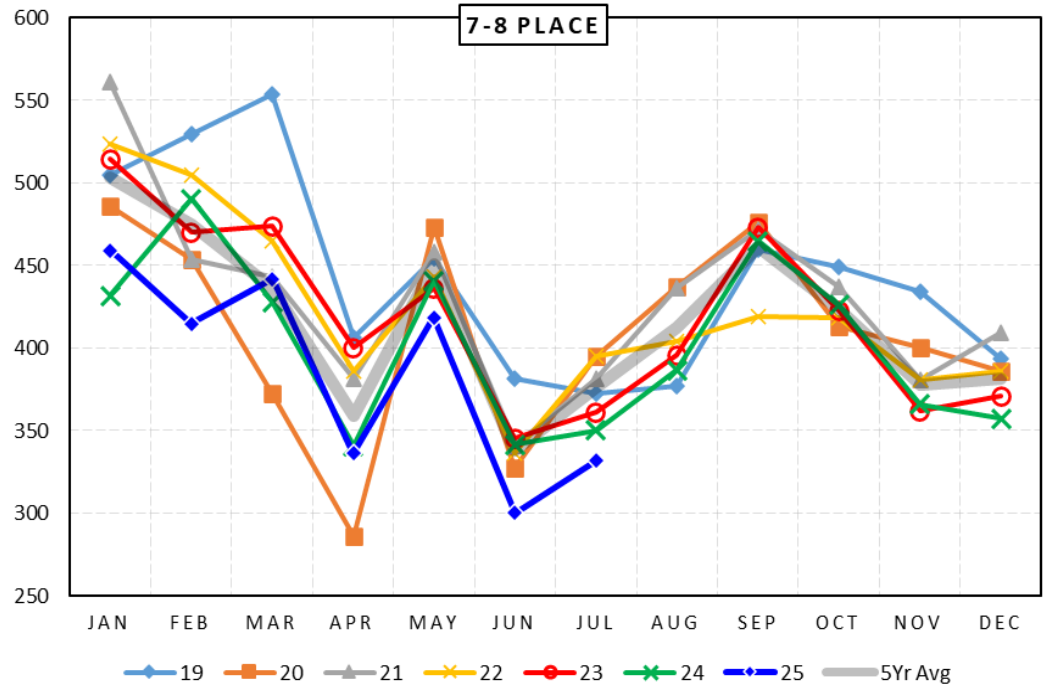
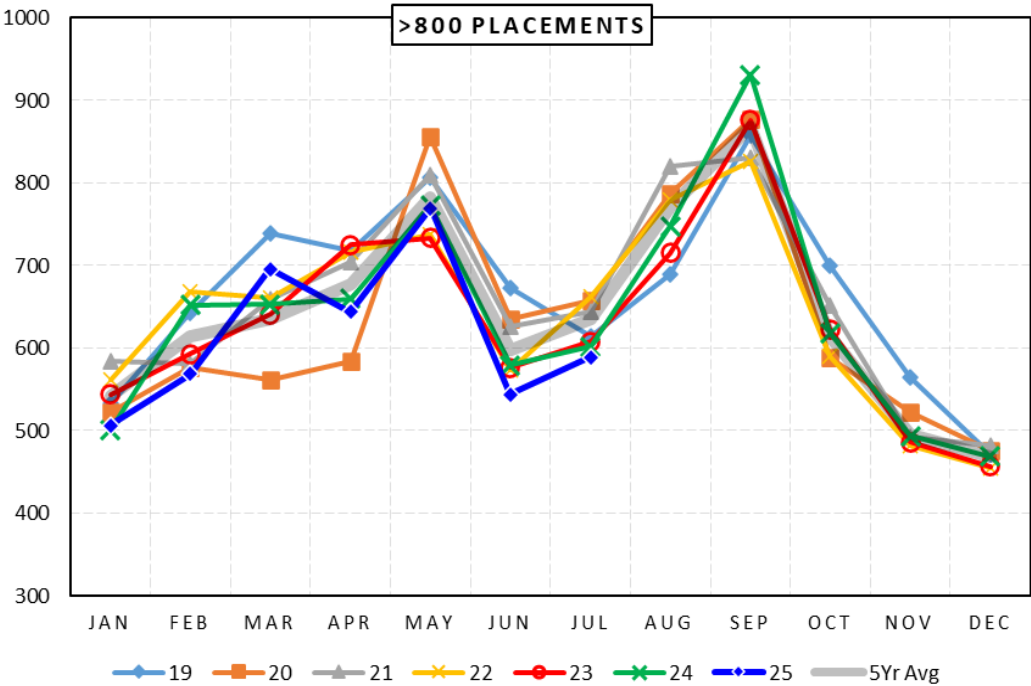
Placements



- YTD We are -525K hd, we expect -1.2M for the year and about 700K lighter for the balance.
- Obviously... MX could change, we could expand hard(er) given current prices- we will see.

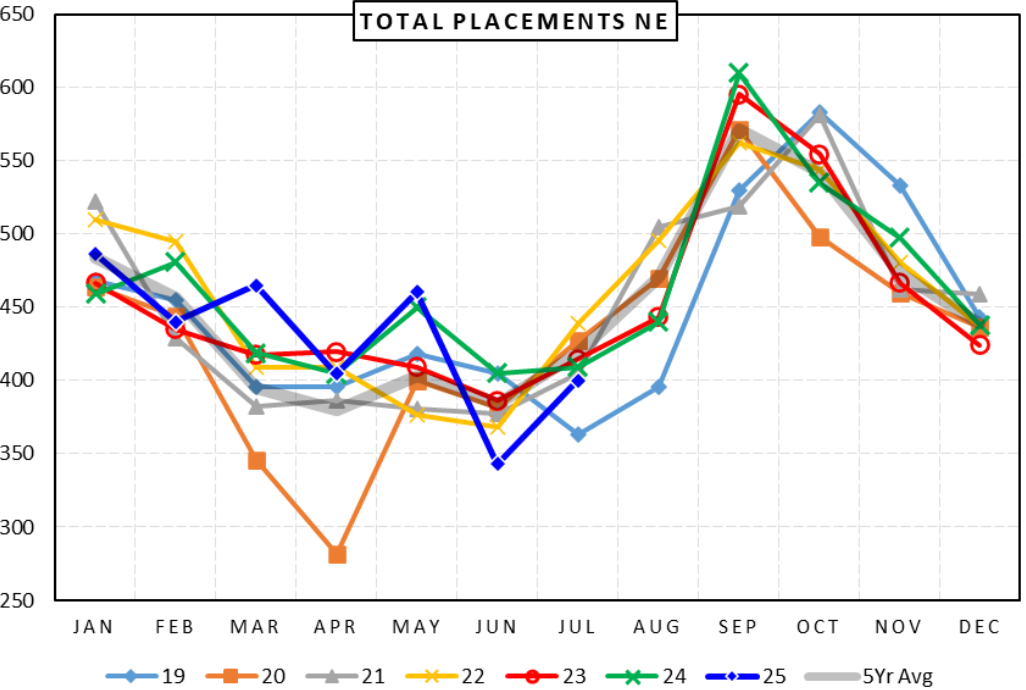
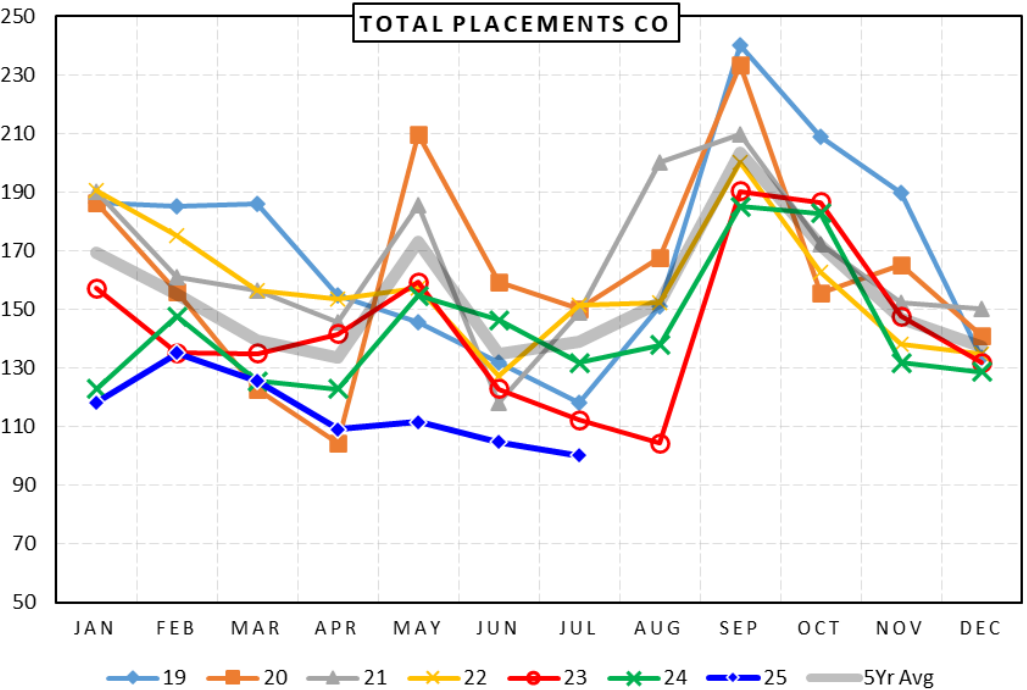
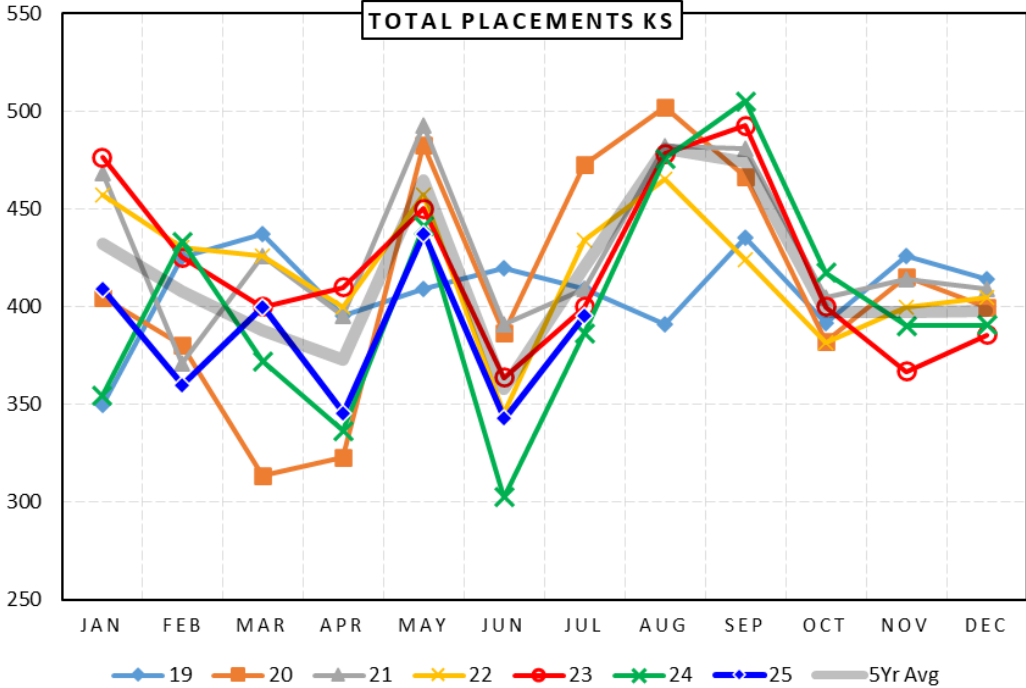
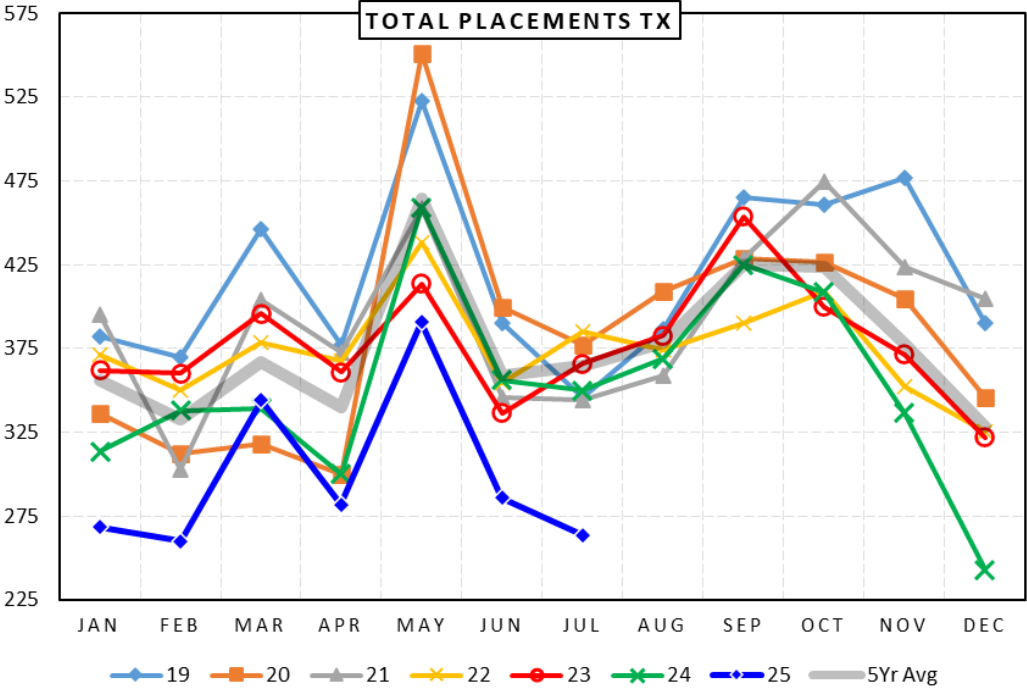
Placement Weight Breakdown

➤ Nothing to be gleaned here

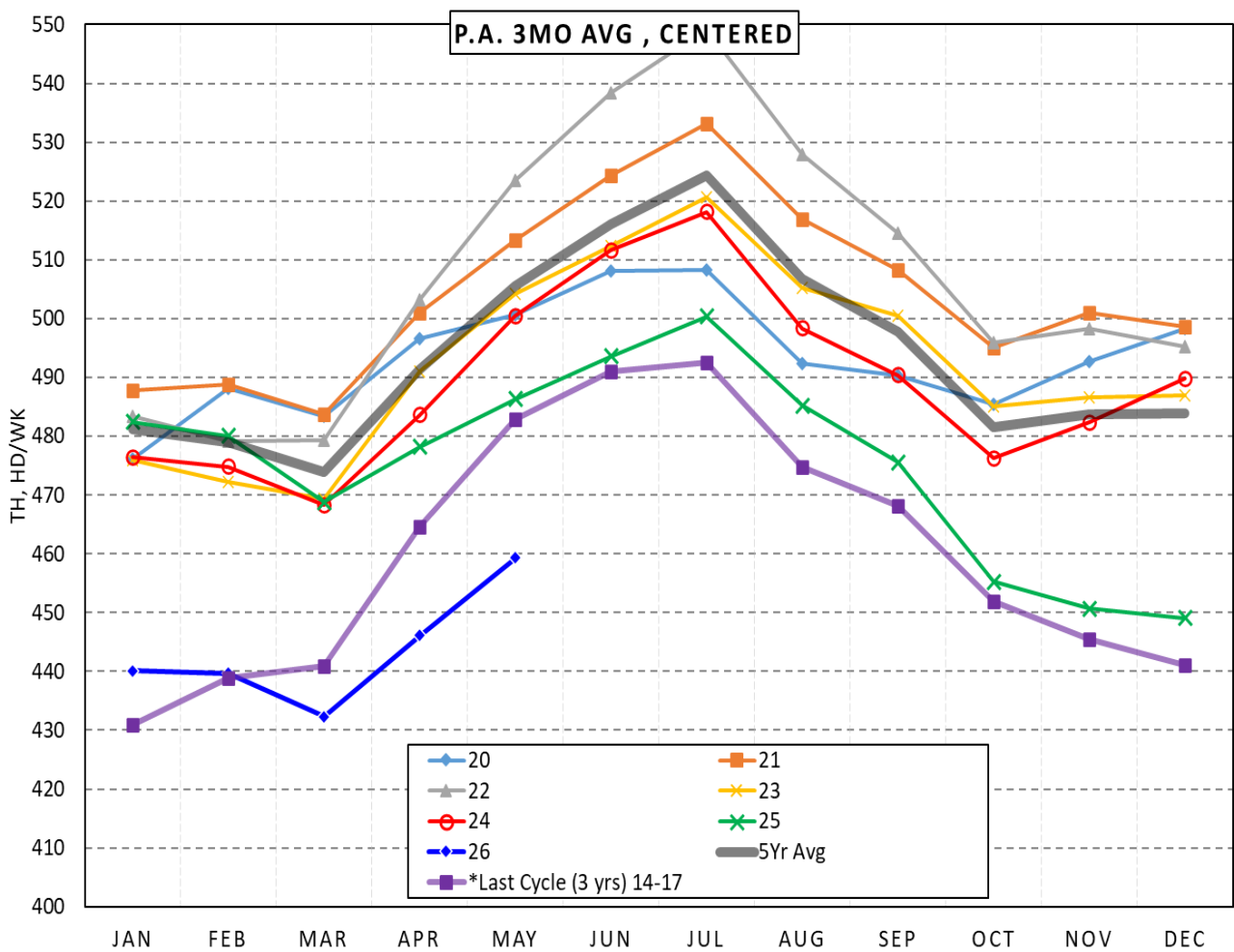


Placements by State

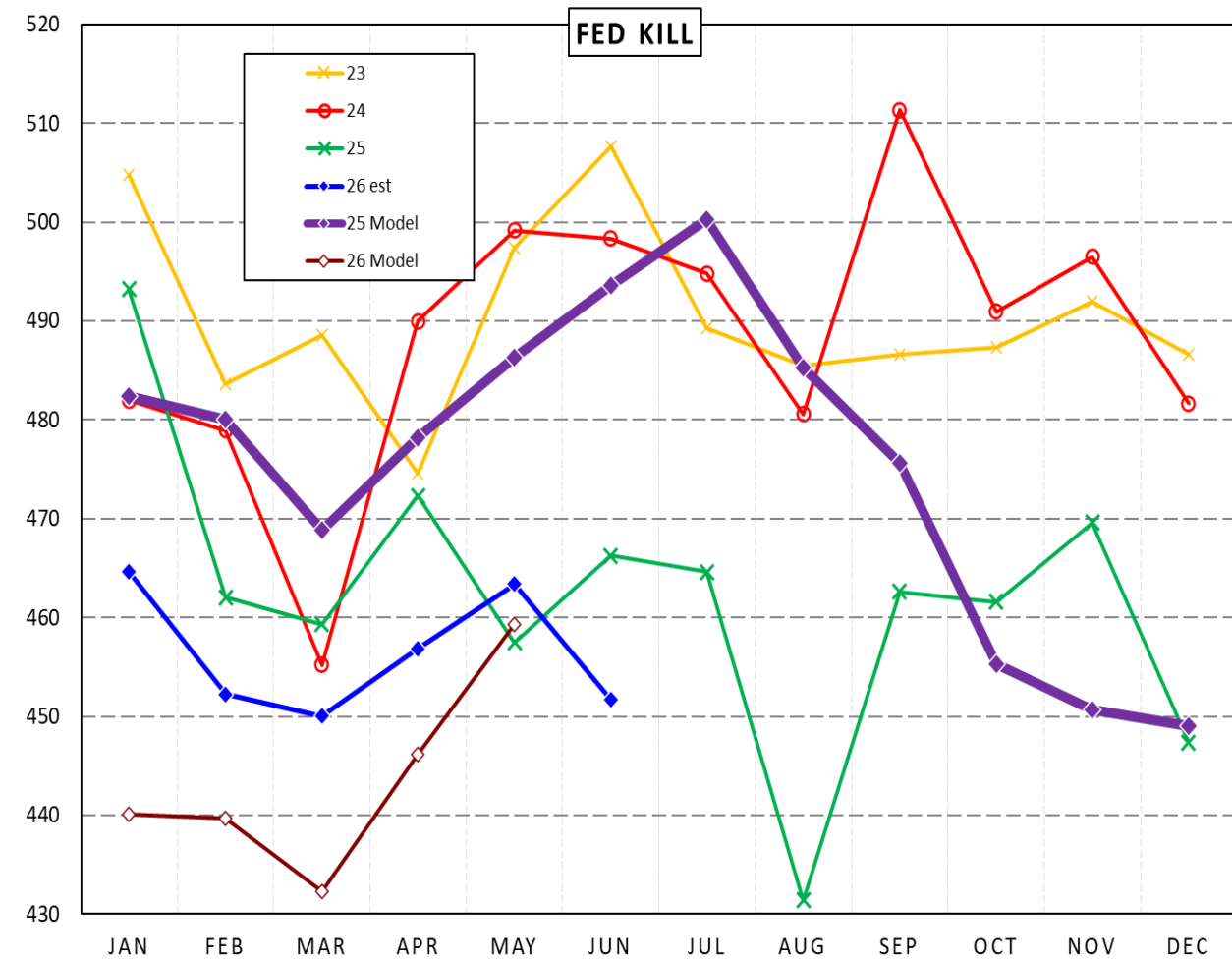
➤ TX and CO are light



Placed Against



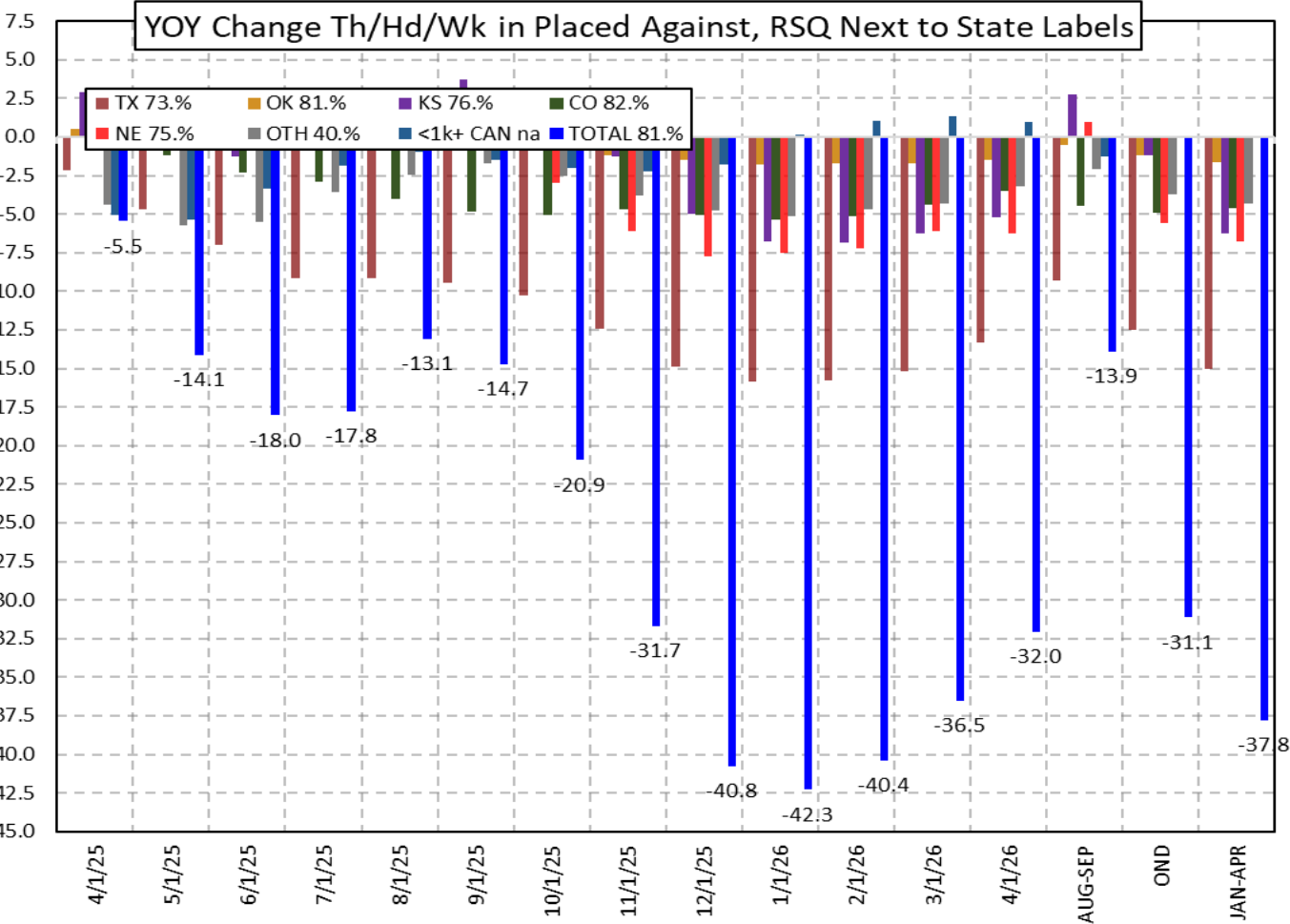
- MAY-JUL = 493 (no change)
- AUG-DEC = 460 (-4K/wk)
- JFM= 437 (-3K)



- We think kill cuts are here to stay.... Kill very well might be “flat” for some time despite fall in placements aka we push cattle back.

Placed Against

Placed Against (PA), YOY								
RSQ	0.73	0.81	0.76	0.82	0.75	0.4	na	0.81
Month	TX	OK	KS	CO	NE	OTH	<1k+ CAN	TOTAL
4/1/25	-2.2	0.5	2.9	0.6	2.1	-4.4	-5.1	-5.5
5/1/25	-4.7	0.3	0.9	-1.2	1.5	-5.7	-5.4	-14.1
6/1/25	-7.0	0.0	-1.3	-2.3	1.5	-5.5	-3.4	-18.0
7/1/25	-9.2	-0.3	-0.8	-2.9	0.9	-3.6	-1.9	-17.8
8/1/25	-9.1	-0.5	1.8	-4.0	2.3	-2.5	-1.0	-13.1
9/1/25	-9.4	-0.6	3.7	-4.9	-0.3	-1.7	-1.5	-14.7
10/1/25	-10.3	-0.8	2.7	-5.1	-3.0	-2.6	-2.0	-20.9
11/1/25	-12.4	-1.2	-1.2	-4.7	-6.1	-3.8	-2.2	-31.7
12/1/25	-14.9	-1.5	-5.0	-5.0	-7.7	-4.8	-1.8	-40.8
1/1/26	-15.9	-1.8	-6.8	-5.3	-7.5	-5.2	0.2	-42.3
2/1/26	-15.7	-1.7	-6.8	-5.2	-7.2	-4.7	1.0	-40.4
3/1/26	-15.2	-1.7	-6.2	-4.4	-6.1	-4.3	1.4	-36.5
4/1/26	-13.3	-1.5	-5.2	-3.5	-6.3	-3.2	1.0	-32.0
AUG-SEP	-9.3	-0.6	2.8	-4.5	1.0	-2.1	-1.3	-13.9
OND	-12.5	-1.2	-1.2	-4.9	-5.6	-3.7	-2.0	-31.1
JAN-APR	-15.0	-1.7	-6.3	-4.6	-6.8	-4.4	0.9	-37.8

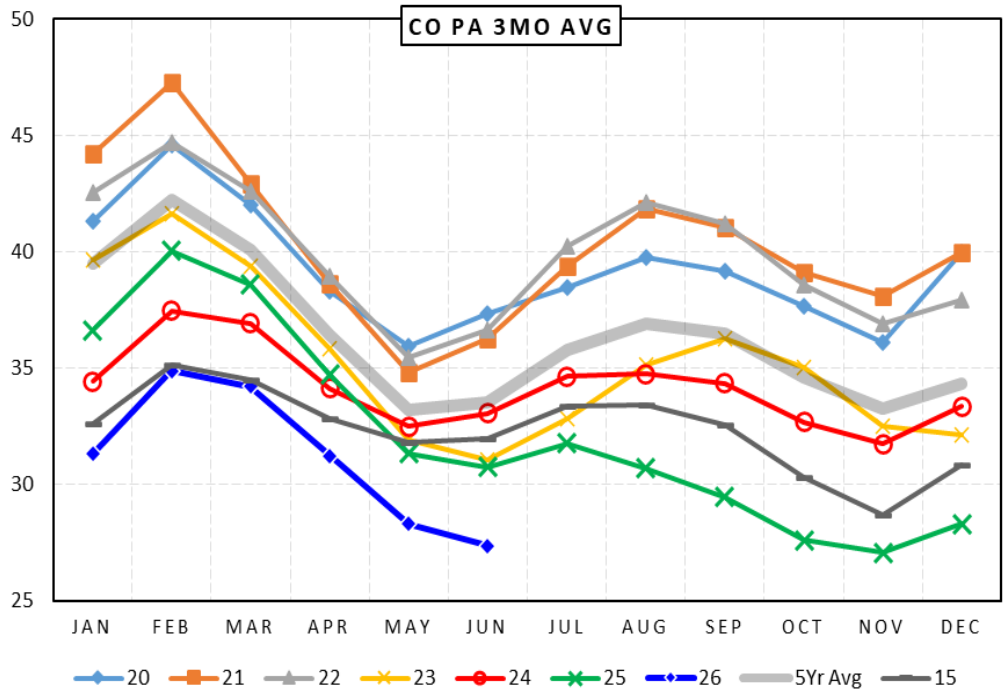
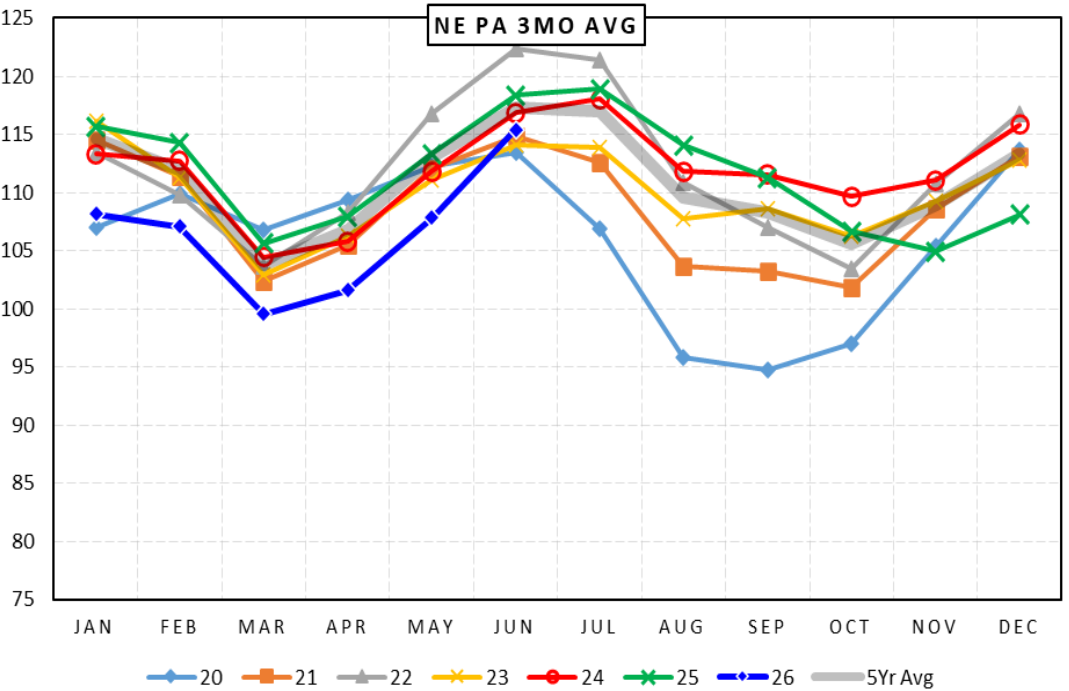
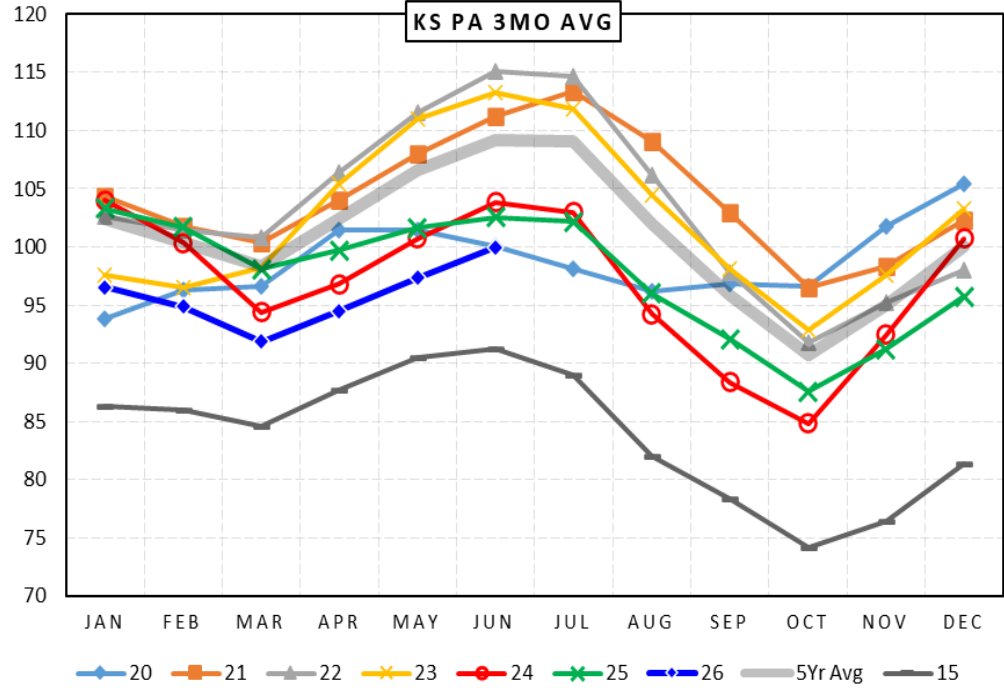
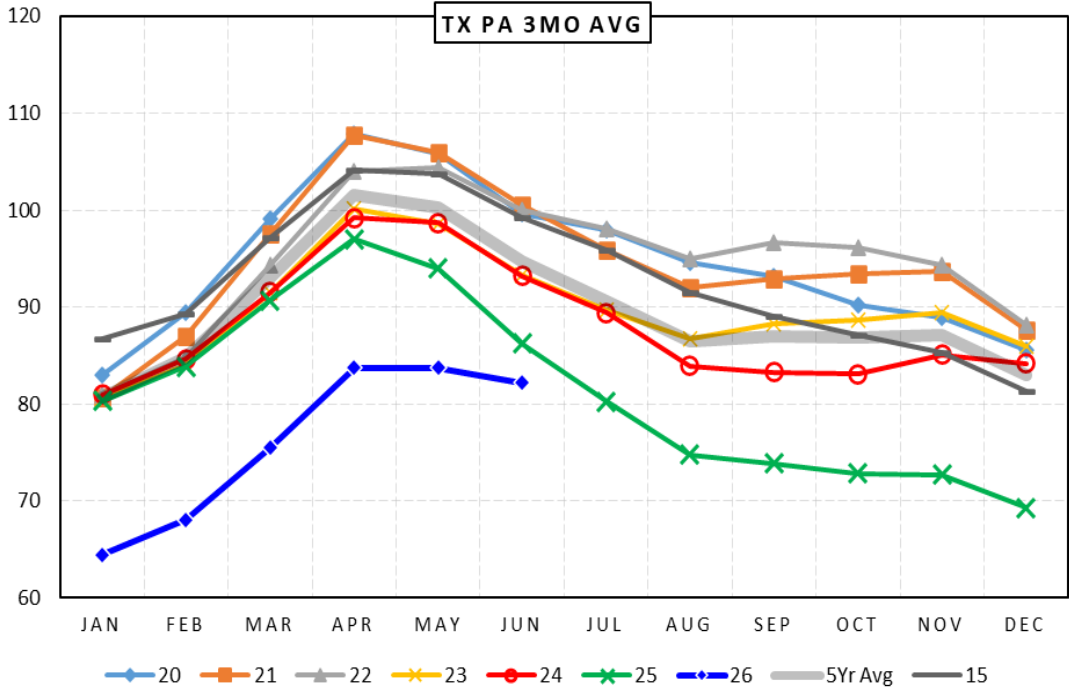


- Aug-Sep 480 (no change)
- OND (451 no change)
- JAN-APR (440 – no change)
- We think kill cuts are here to stay.... Kill very well might be “flat” for some time despite fall in placements aka we push cattle back.
- Most of the changes are clearly in the South, basically ½ of it is in TX alone

Placed Against by State

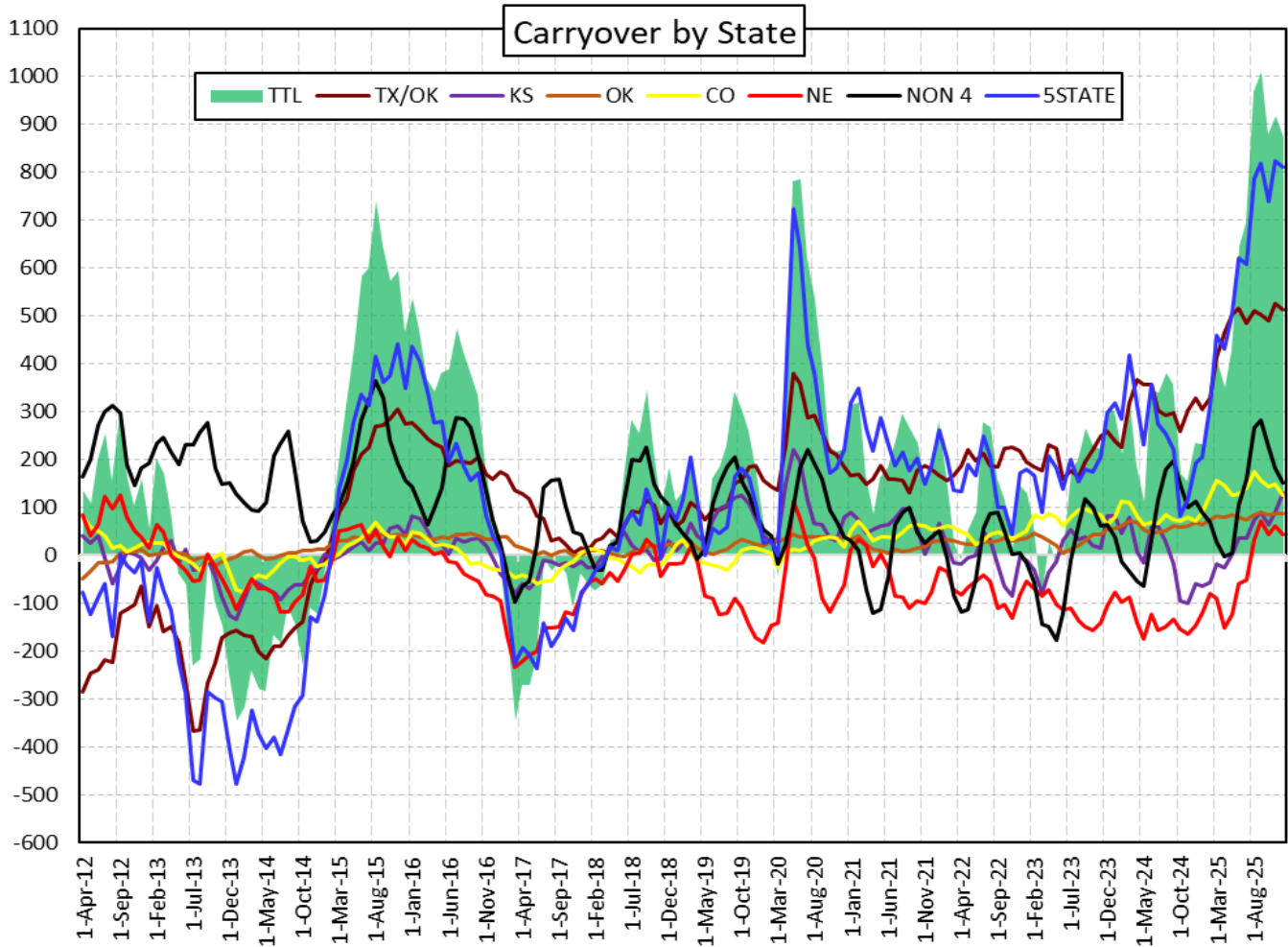
➤ Lots of speculation...

➤ NE looks decent, TX /CO very light.



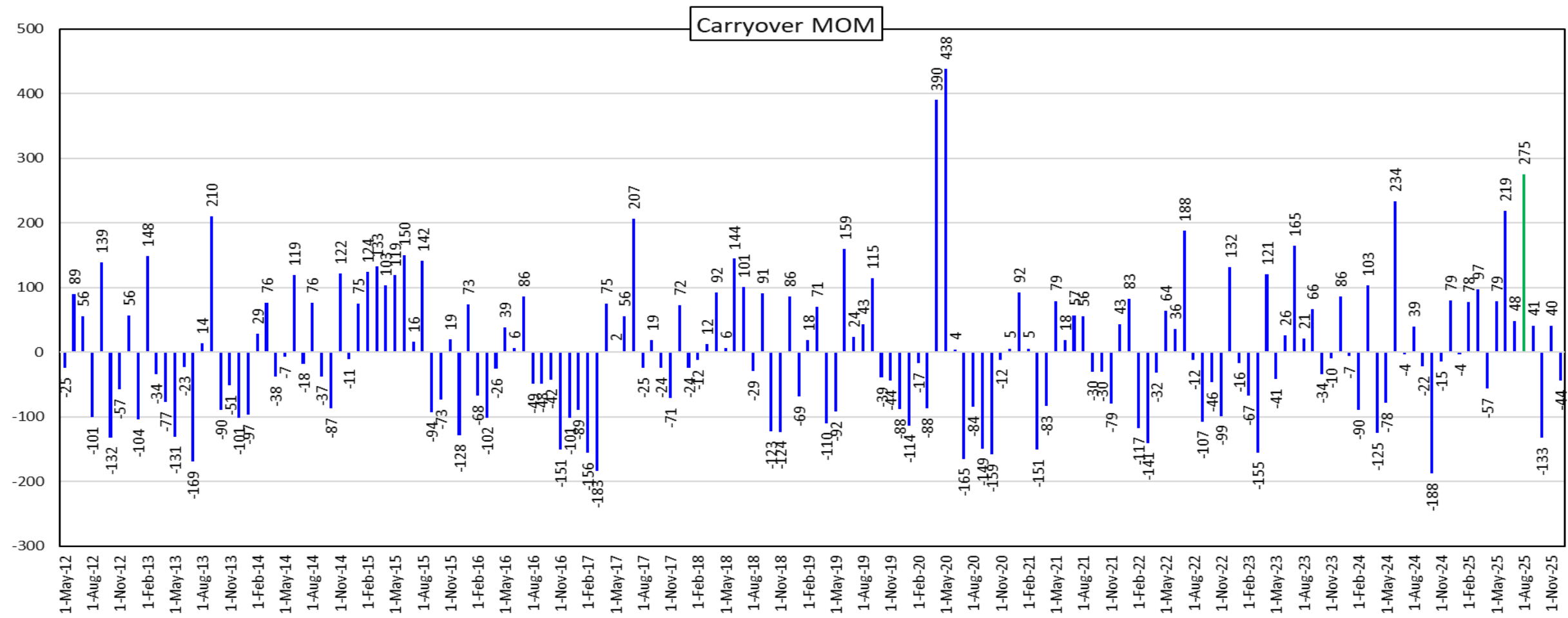
Carryover

Carryover Data by State (CarryOver = "+", Pld Fwd = "-")											
	TX/OK	KS	OK	CO	NE	5STATE	NON 4	TTL	PA	SH Kill	Kill vs PA
11/30/24	303	-100	61	79	-166	117	100	144	482		
12/31/24	327	-60	68	71	-147	191	111	223	490		
1/31/25	304	-66	64	90	-123	205	89	219	482		
2/28/25	327	-58	74	124	-80	313	69	297	480		
3/31/25	411	-20	80	155	-89	458	28	394	469		
4/30/25	463	-27	80	146	-151	432	-3	337	478		
5/31/25	502	2	83	125	-125	505	5	416	486		
6/30/25	516	35	78	127	-60	620	104	635	494		
7/31/25	484	35	73	140	-51	609	159	683	500	465	-35.7
8/31/25	509	75	84	173	32	788	265	958	485	431	-53.9
9/30/25	502	88	89	157	70	817	282	999	476	463	-13.0
10/31/25	489	63	85	144	42	738	224	866	455	462	6.3
11/30/25	526	89	86	147	62	824	180	906	451	470	18.9
12/31/25	513	130	86	124	42	809	150	863	449	447	-1.7
1/31/26	468	137	85	137	65	808	122	834	440	465	24.5
2/28/26	427	133	89	164	90	814	69	783	440	452	12.5
3/31/26	452	138	90	172	62	823	-1	722	432	450	17.8



- Looks ugly on a chart
- Real world not feeling this way at all, especially in the North.

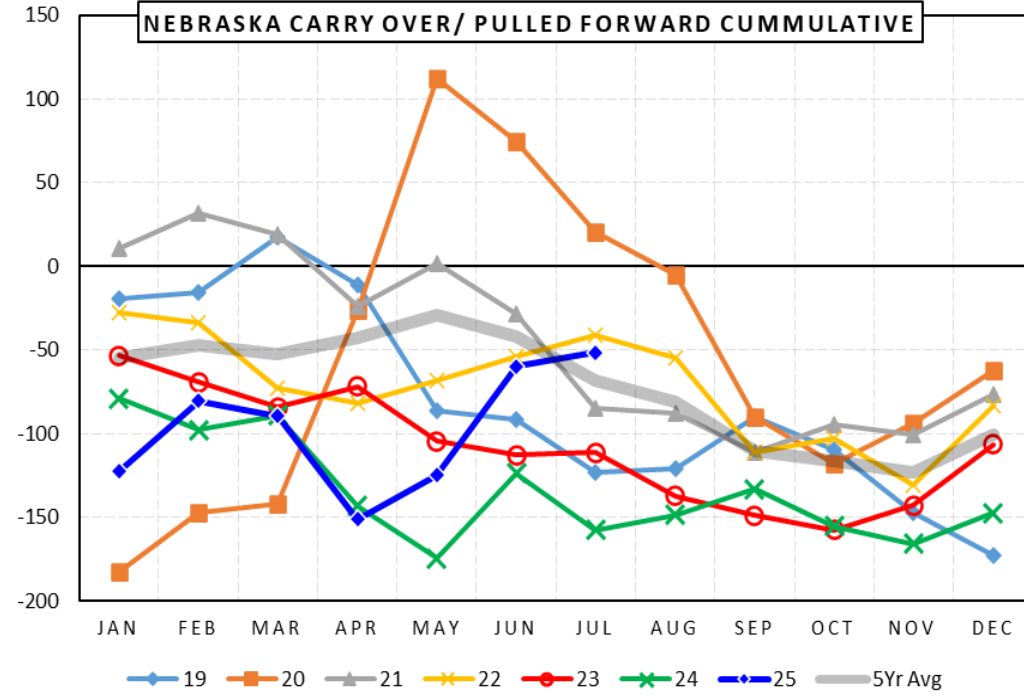
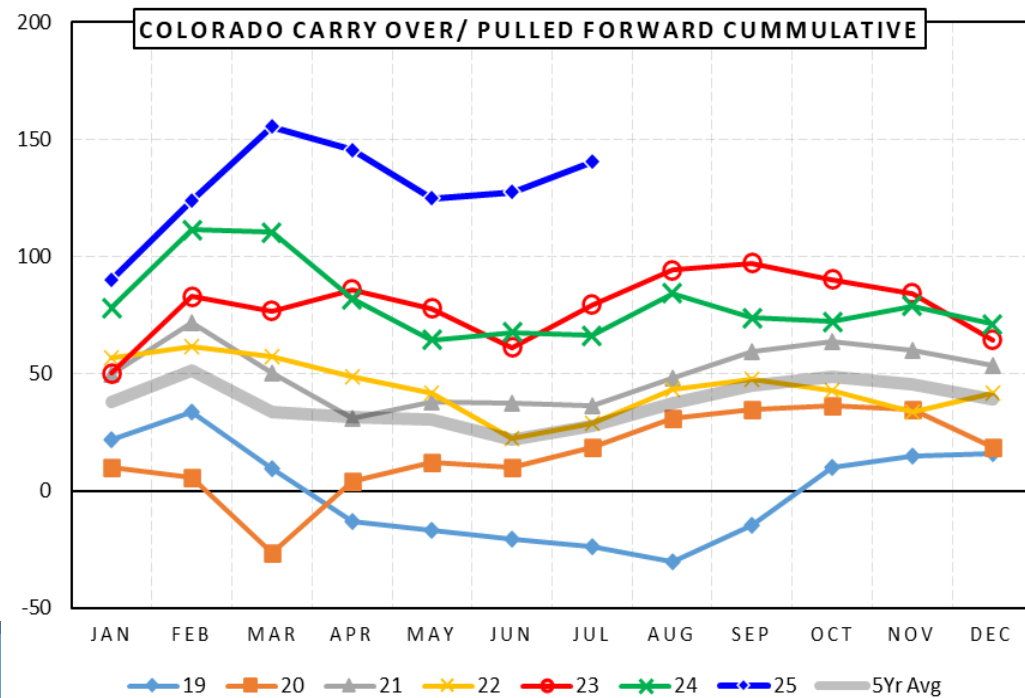
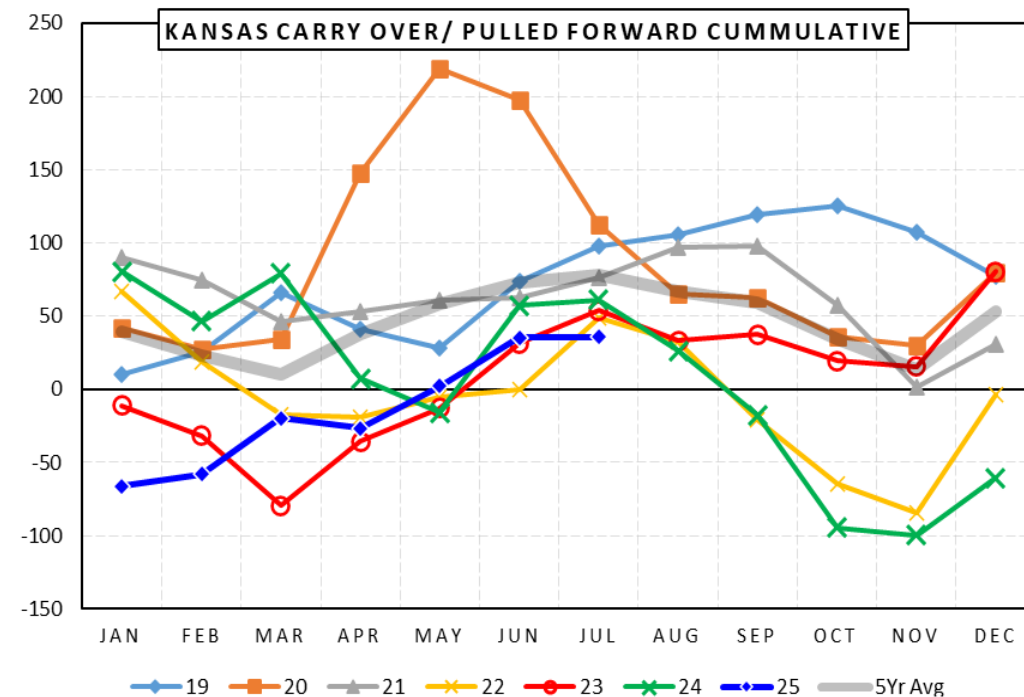
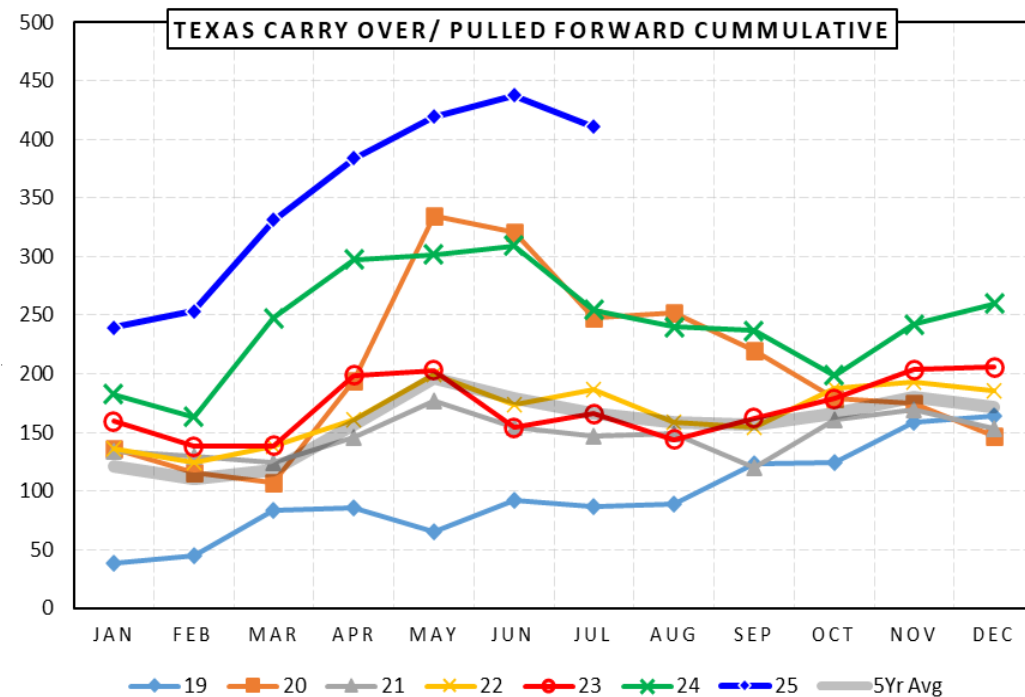
Carryover



➤ Aug going to be essentially 3rd largest in our data set for carryover.....

Carryover by State

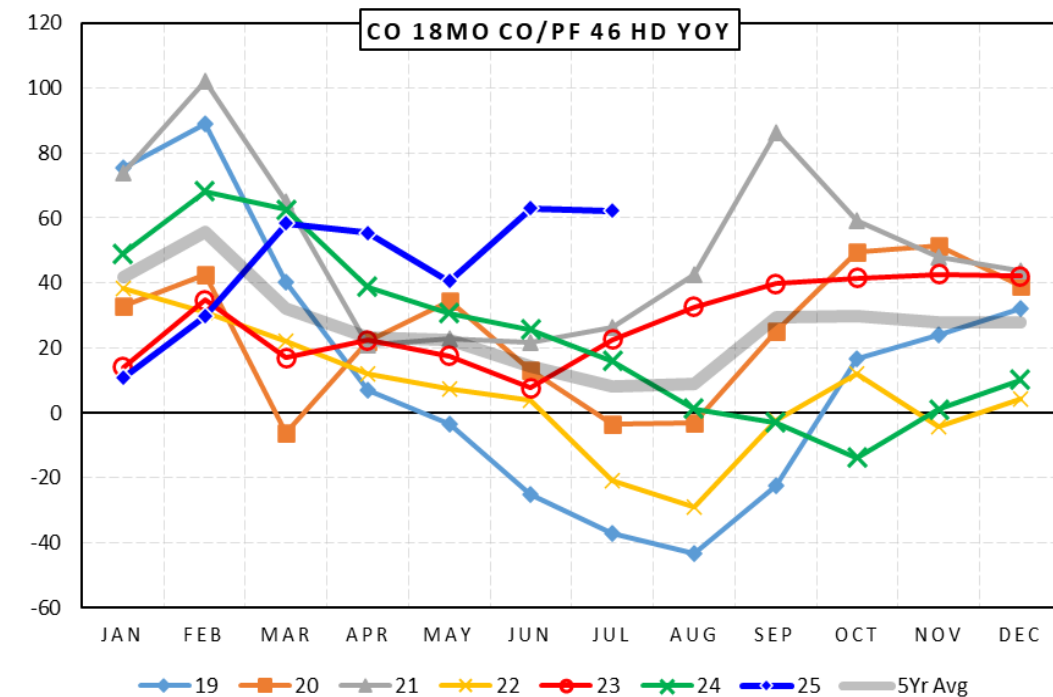
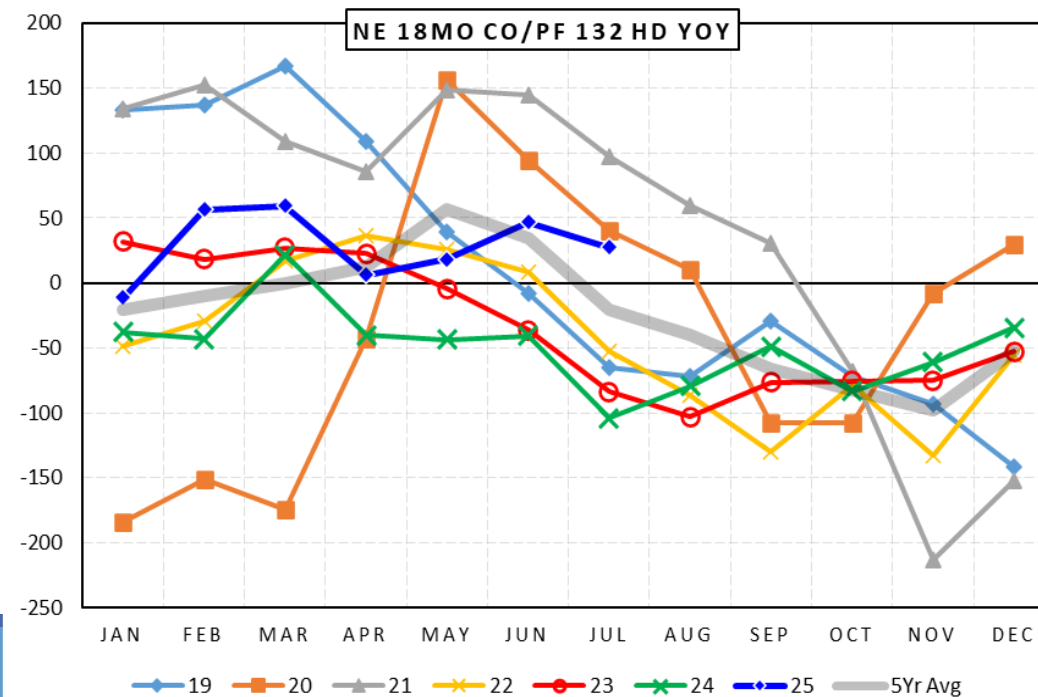
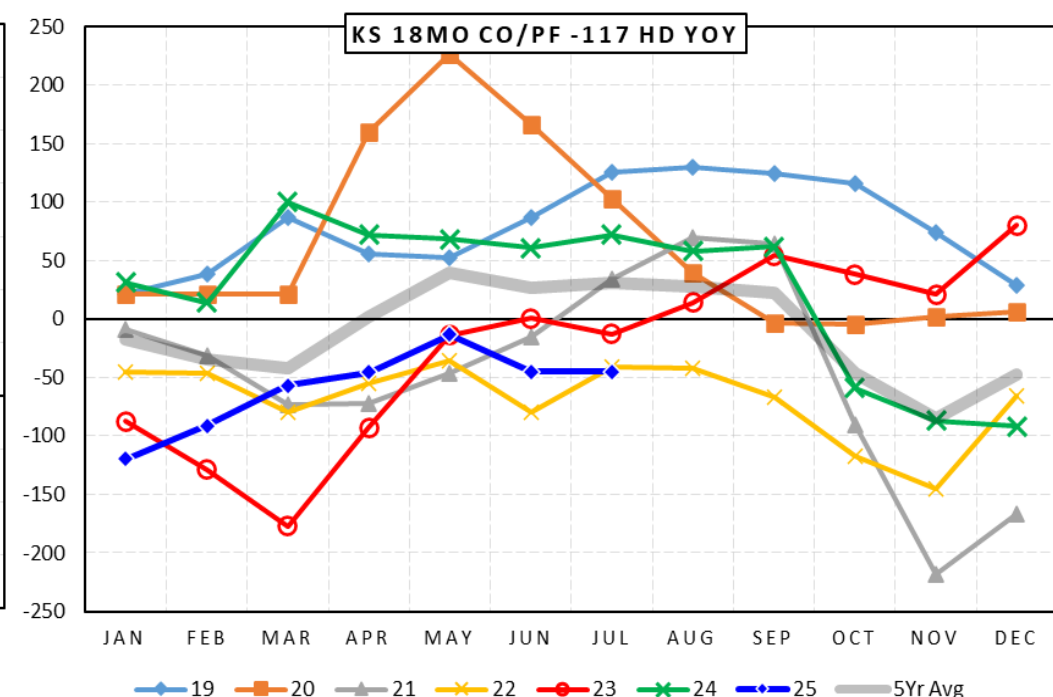
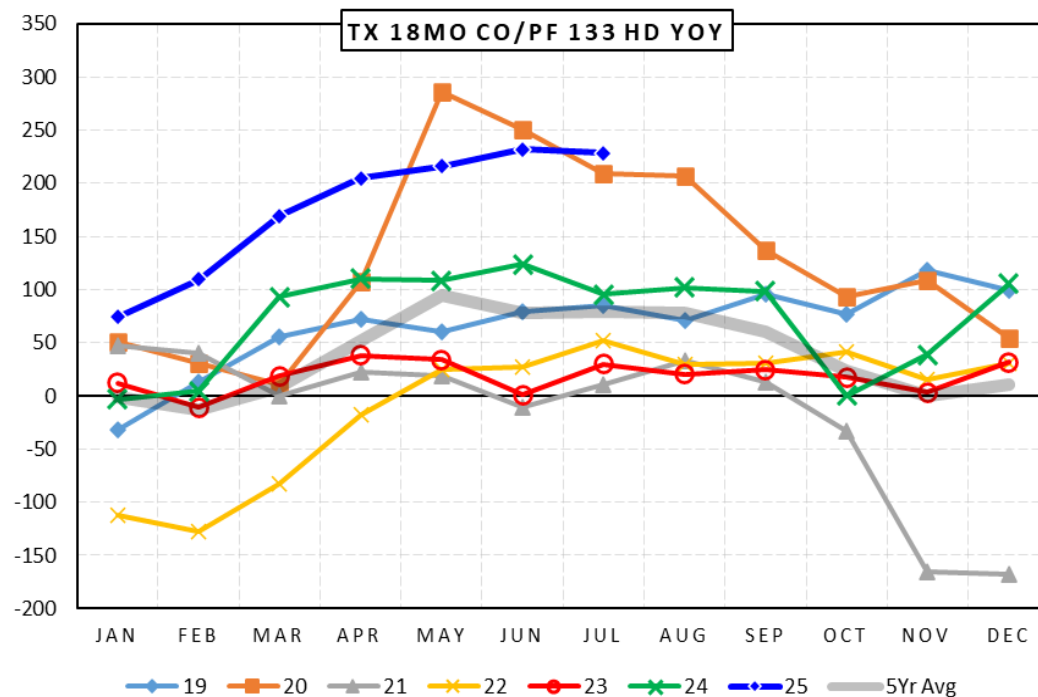
- TX/CO look awful
- First real growth we have seen in NE in a while
- KS marketing remain impressive at face value
- Dairyfed... just to beat the Deadhorse again



Carryover by State

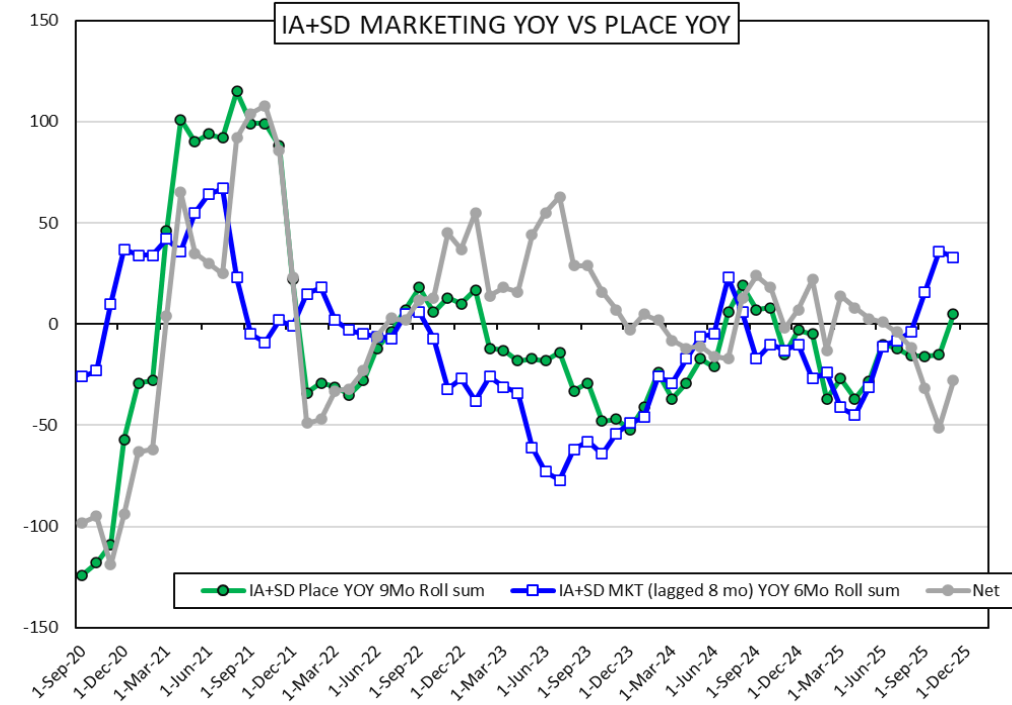
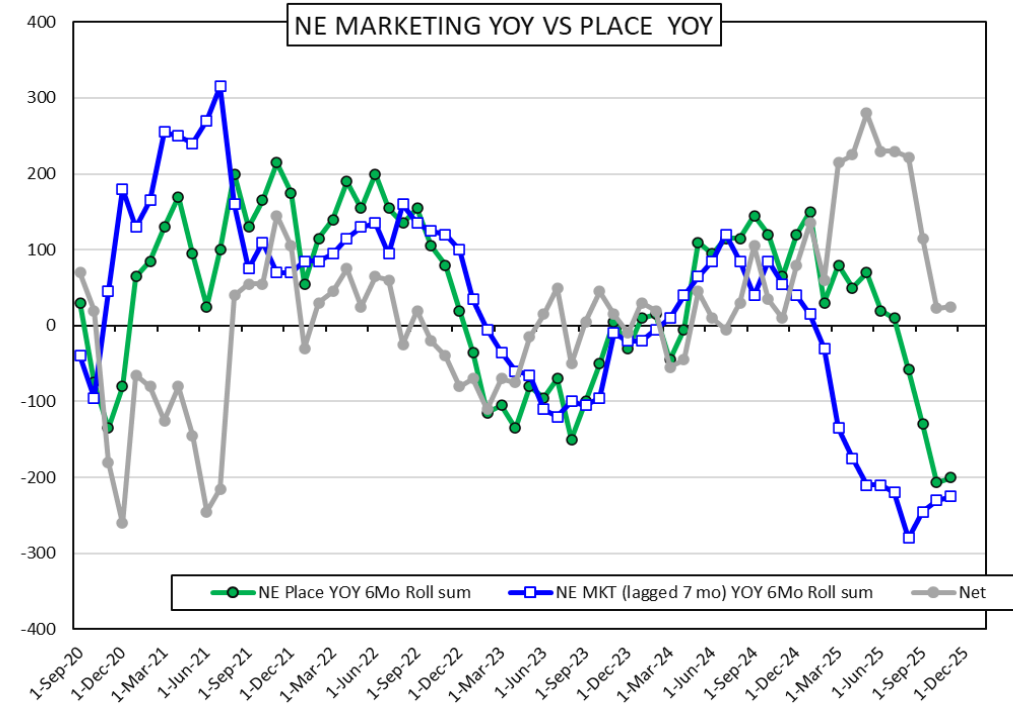
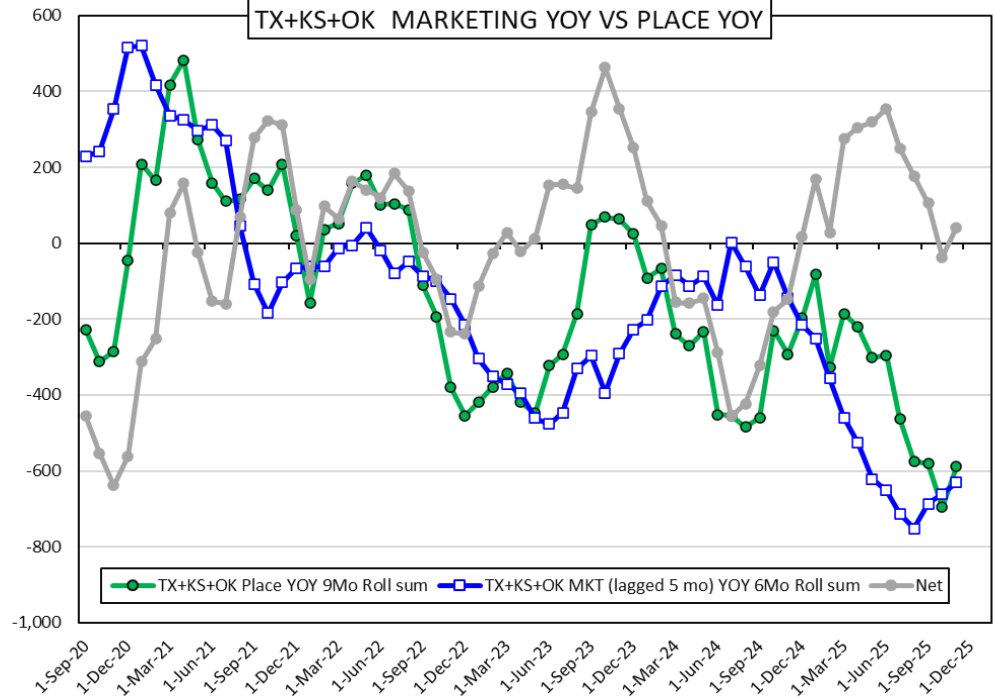
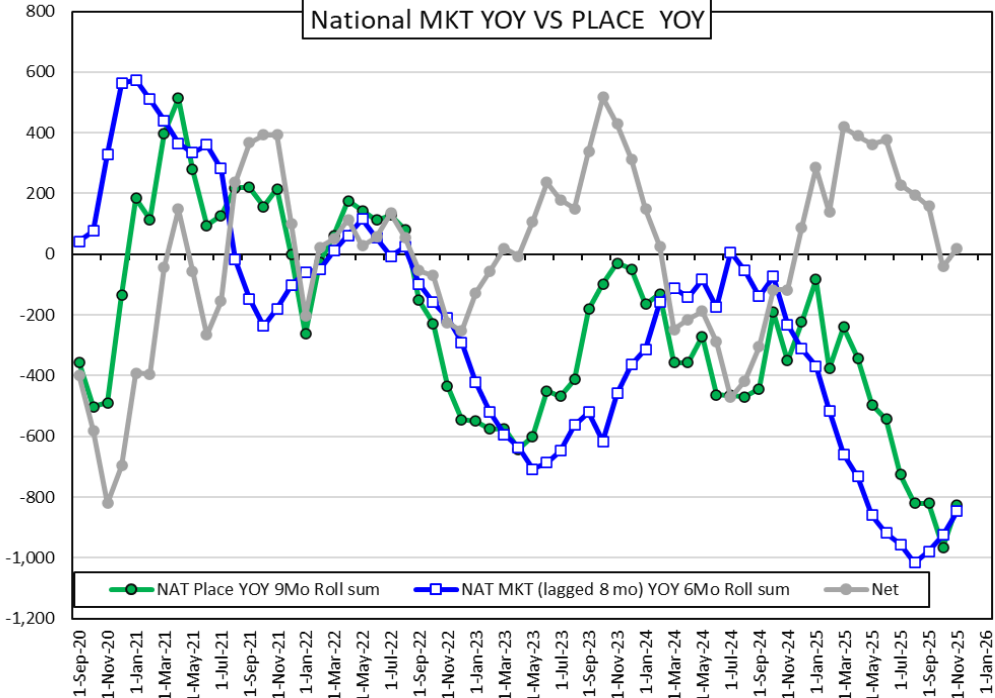
➤ Different metric

➤ Similar results-



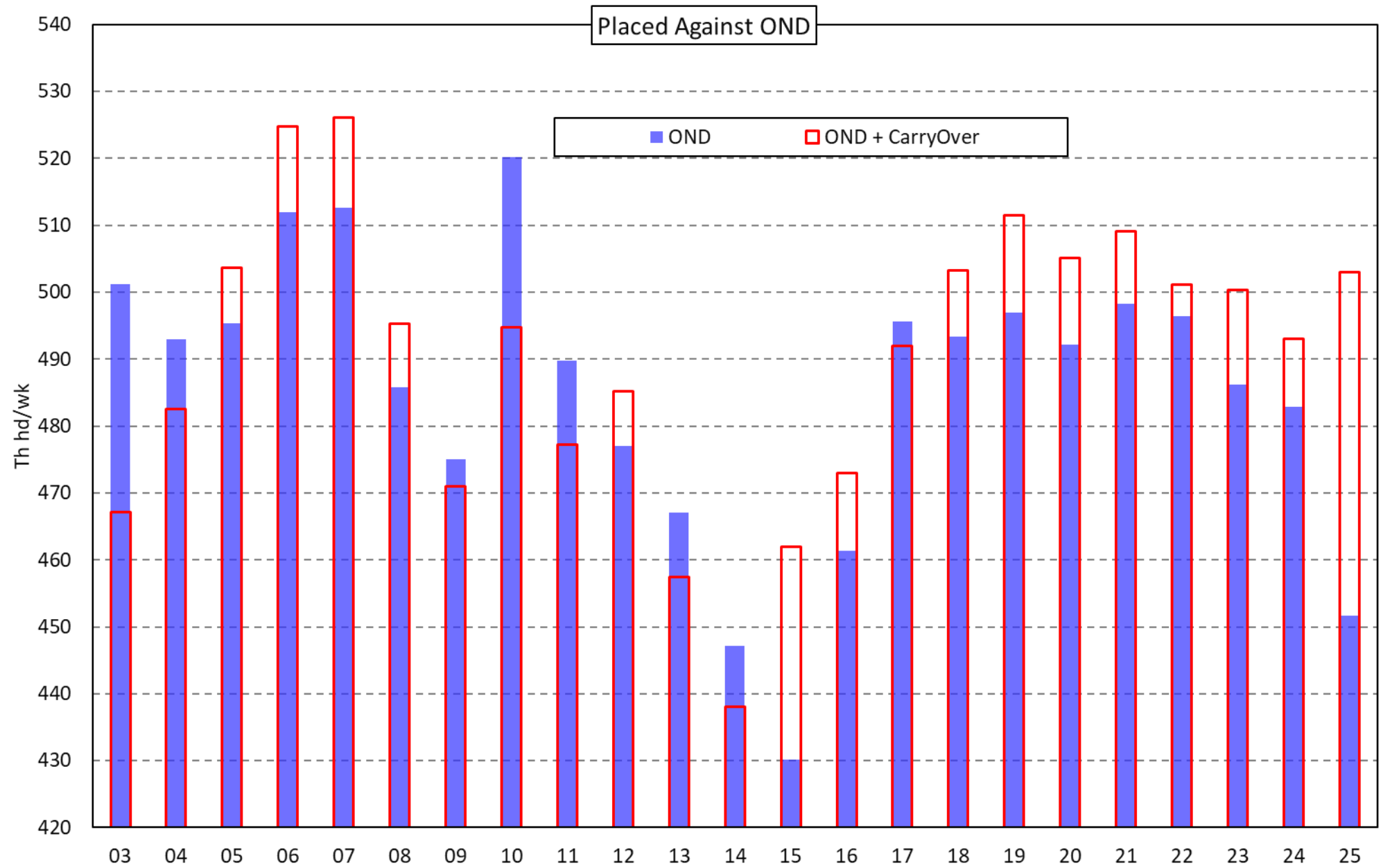
Place vs Mkt

➤ Placements have been dropping slower than marketings nationally other than IA/SD



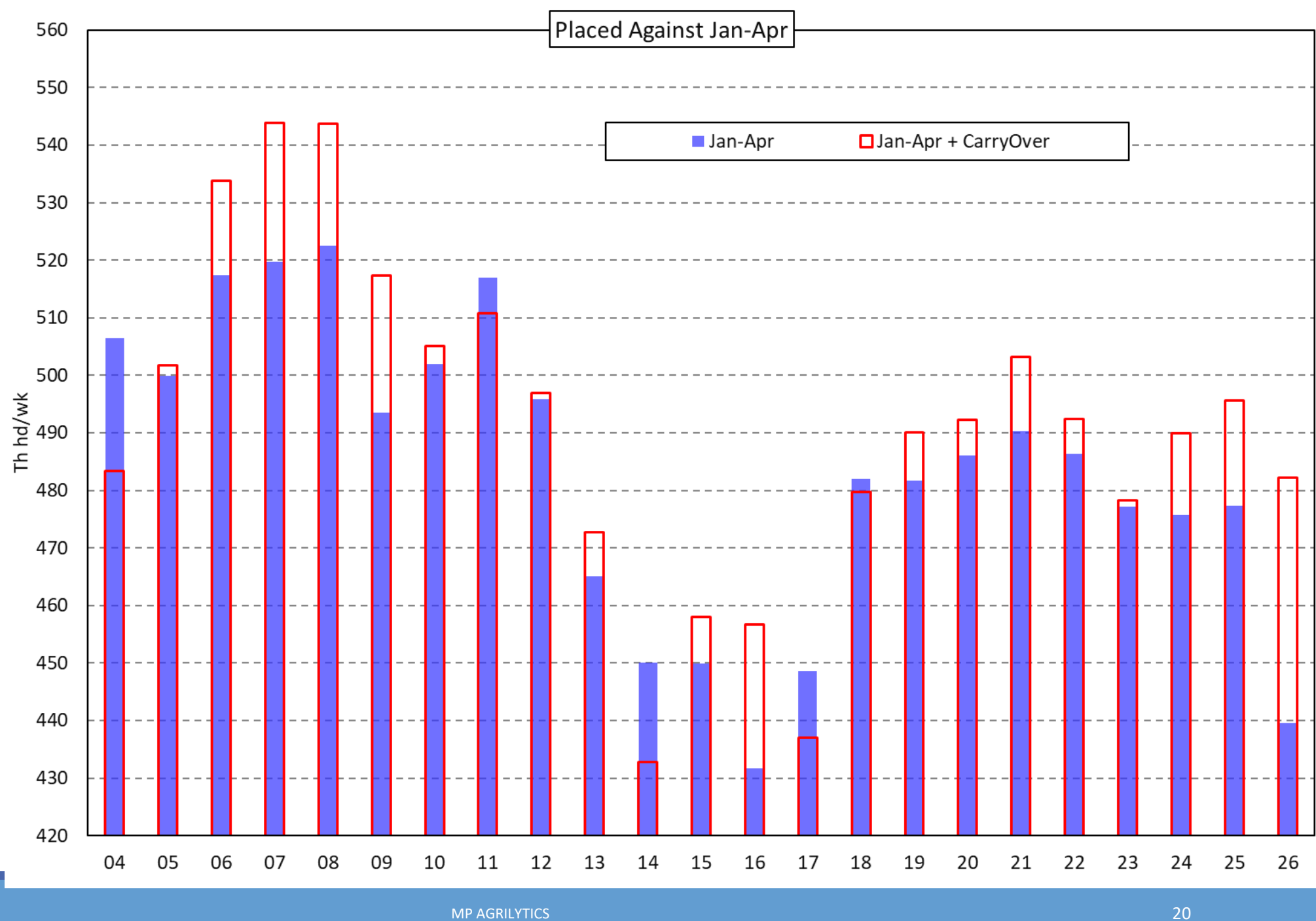
Placed Against & Carryover

- Obviously we DON'T HAVE TO KILL ALL OF CARRYOVER AT ONCE.
- That said, you get the idea of the scope of the issue in time here.



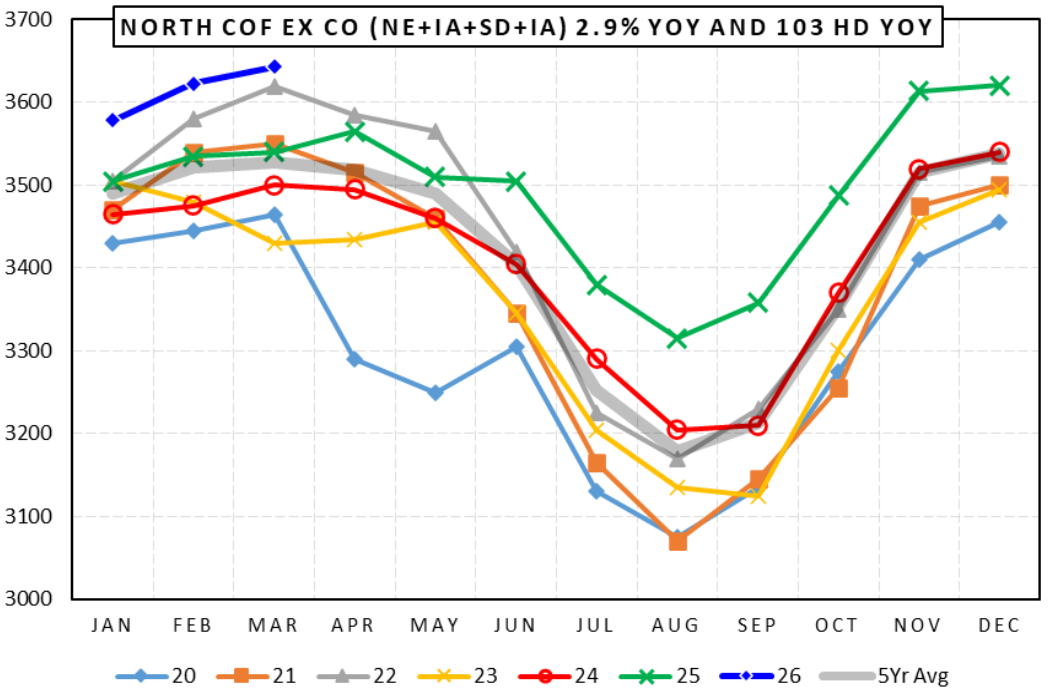
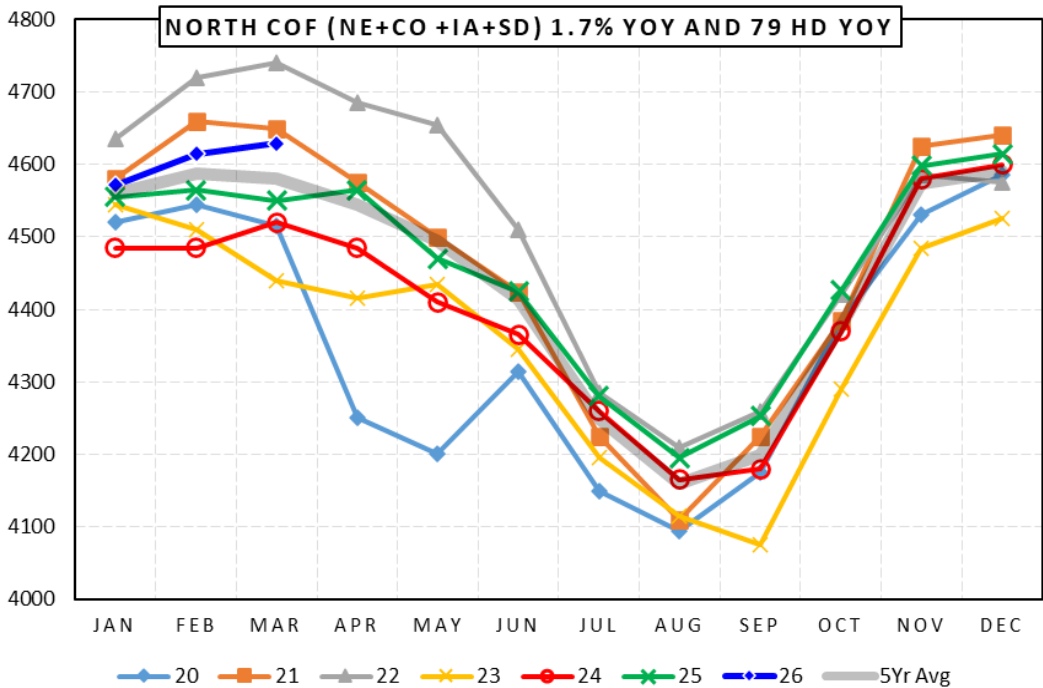
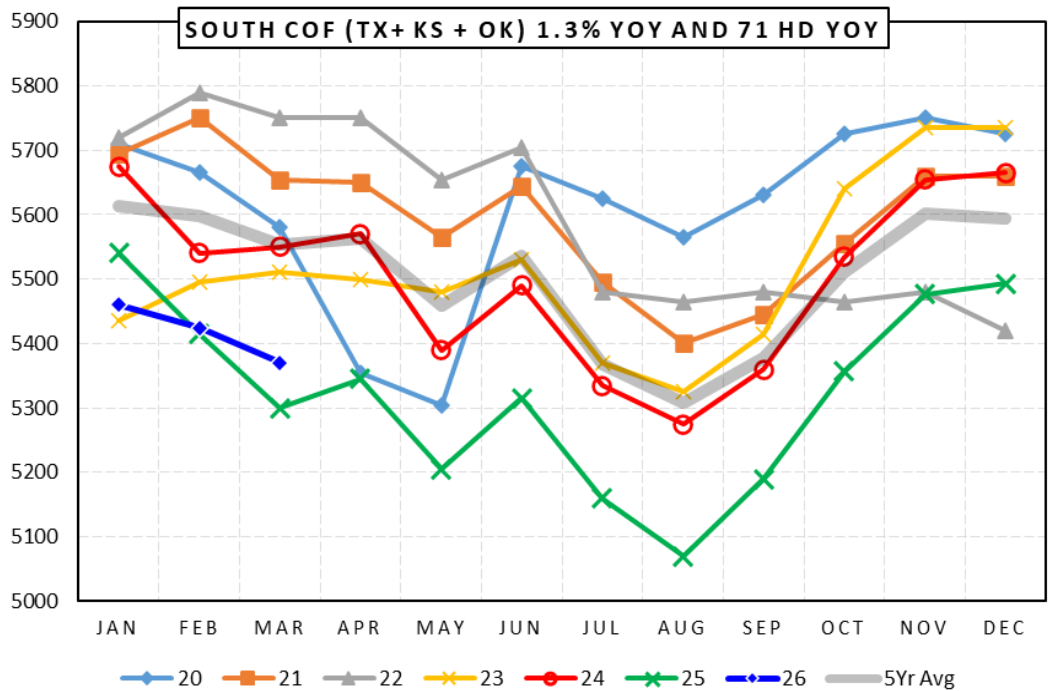
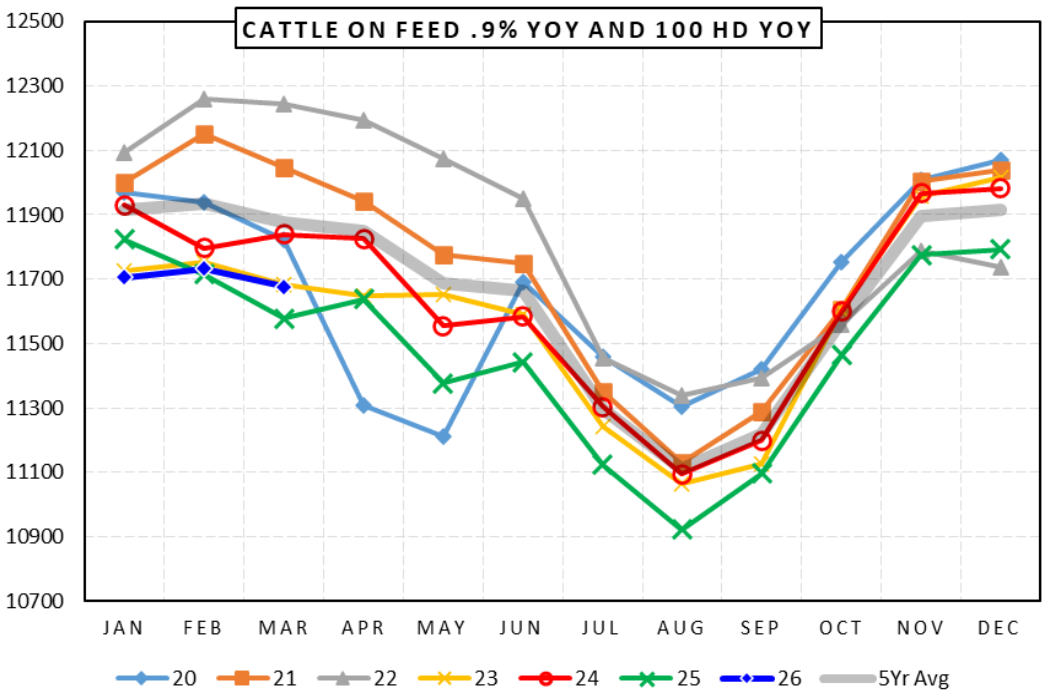
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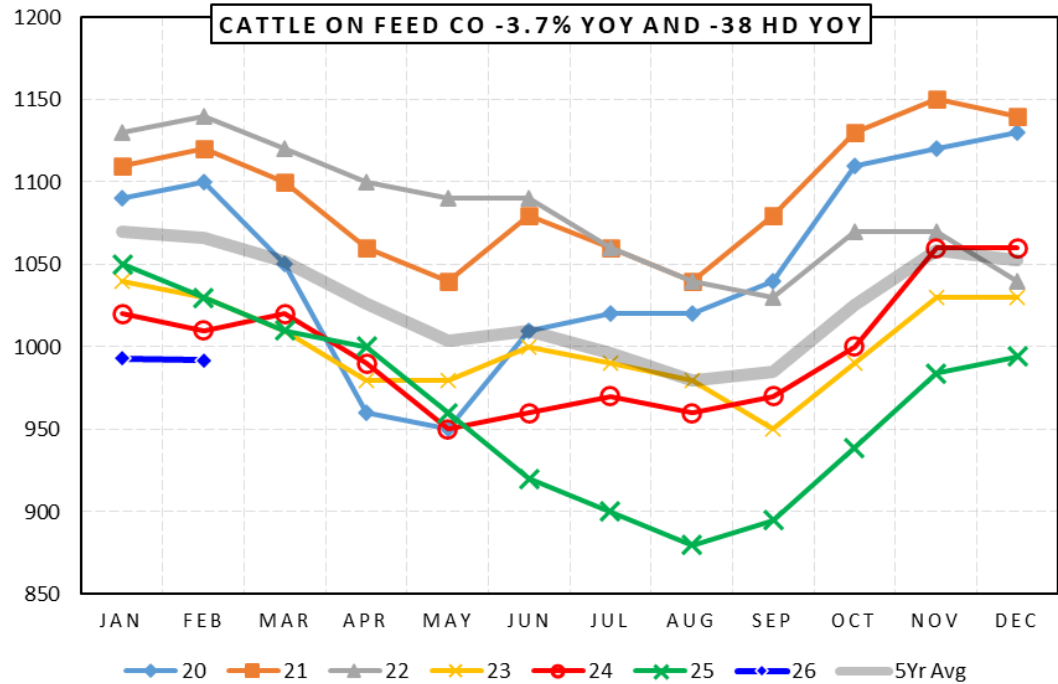
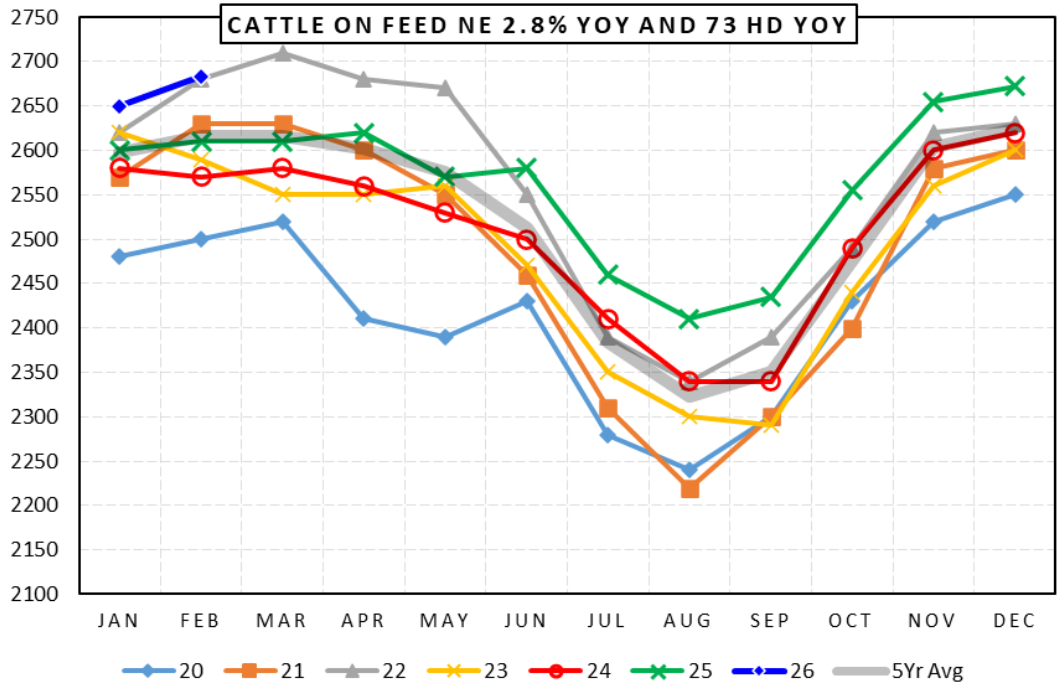
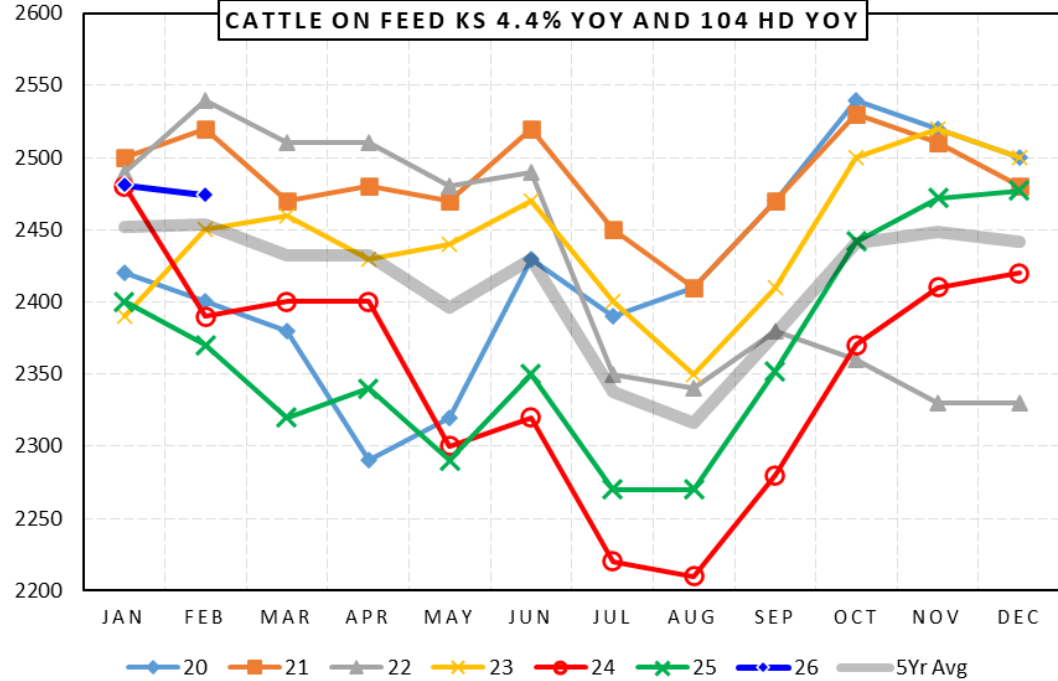
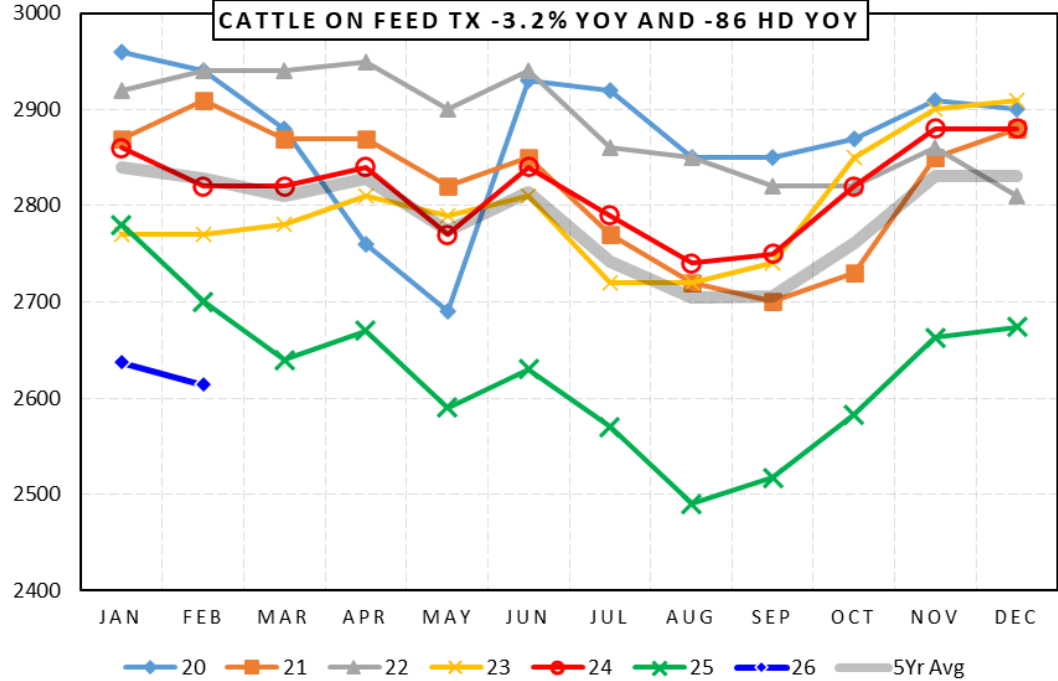
COF Guess

➤ We have north basically record if we keep doing this...



COF Guess

➤TX though... without MX...



COF Guess

➤ Dairy leaving SW and cheap corn....and we all know farmer feeder not backing away and paying taxes...

