



# TEXAS CATTLE FEEDERS ASSOCIATION

# NEWSLETTER

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## **2021 TCFA Annual Convention: Don't Miss Randy Blach**

The 2021 TCFA Annual Convention is fast approaching. We are excited for you to join us in Oklahoma City, Oct. 24-26, at the new Omni Oklahoma City Hotel. As we look forward to Convention, we would like to highlight our speakers.

Randy Blach, CEO of CattleFax for over 20 years, is the go-to leader in beef industry research, analysis and information. Blach's timely market information, in-depth analysis and forecasts on cattle, protein and grain markets have guided cattle feeders, financial institutions and beef industry partners through pressing times and hard decisions. Blach will cover everything from market disruptions in 2020 to the future of negotiated trade and price discovery. Convention goers will hear from Blach during the opening general session on Monday, Oct. 25. For more information about Convention, to register or book a hotel room, please visit [www.tcfa.org](http://www.tcfa.org). Hotel reservations must be made by Sept. 23.

## **USDA Guidance on Packers and Stockyards Enforcement**

USDA released this week a list of [frequently asked questions \(FAQs\)](#) regarding enforcement of the Packers & Stockyards (P&S) Act, specifically related to competition in livestock markets, including undue and unreasonable preferences and advantages. The FAQs are intended to offer guidance while the agency works on the [three new rules](#) announced in July.

Agriculture Secretary Tom Vilsack has stated he plans to “reinforce the longstanding USDA position that it is not necessary to demonstrate harm or likely harm to competition in order to establish a violation of the Act.” However, this has not been the longstanding USDA position, nor the position of federal courts. Currently, producers may file a complaint with the Packers and Stockyards Division (PSD) at USDA-AMS if they believe another market participant's conduct constitutes an undue or unreasonable preference or advantage in violation of the P&S Act. Parties claiming violations of the Act must demonstrate that the alleged violation harms, or is likely to harm, competition in the broader marketplace.

“The P&S Act is structured to ensure equal opportunities, not equal outcomes among competitors,” said TCFA Chairman Scott Anderson. “TCFA opposes elimination of the regulatory requirement that complainants must demonstrate harm and/or likelihood of harm to competition to establish a violation of the P&S Act.”

This position has been affirmed by eight federal courts of appeals, with no dissenting circuits, and the U.S. Supreme Court has routinely denied review of this issue.

## **New Provisions of Texas Farm Animal Liability Act**

Earlier this year, the Texas Legislature passed the [Farm Animal Liability Act](#) to expand the liability protection for farm owners and lessees in the event of an injury, death or property damage resulting from the inherent risk of raising or handling livestock. The [updated law](#), which takes effect Sept. 1, 2021, requires farm owners or lessees wishing to avail themselves of this expanded liability protection to post and maintain a clearly readable sign(s) where farm animal activities are conducted.

Farm owners and lessees must also include the warning in every written contract that he or she enters into with an employee, independent contractor, intern, professional services provider, truck driver and any other individual who may come in contact with livestock and all rental agreements. The warning must be included without regard to whether the contract involves farm animal activities on or off the farm. Contact Josh Winegarner at [josh@tcfa.org](mailto:josh@tcfa.org) with any questions.

## **USDA Projects Record Ag Exports**

USDA on Thursday raised its forecast for total U.S. farm exports this year and projected record sales in fiscal 2022, driven by significant Chinese purchases of soybeans, cotton and other agricultural goods. Higher sales of livestock and dairy products in recent months prompted USDA to raise its forecast for fiscal 2021 exports to \$173.5 billion, a \$9.5 billion increase from its previous estimate in May.

Since the initial coronavirus pandemic disruptions, China has been making large purchases of U.S. corn, pork and other goods over the last year. Meanwhile, USDA projects that fiscal 2022 exports to Canada and Mexico will total \$23.8 billion and \$22.3 billion, respectively.

### **Texas Beef Council Hosts First Beef Loving Chefs Summit**

Texas Beef Council (TBC) recently hosted the inaugural [Beef Loving Chefs Summit](#) at the Culinary Institute of America in San Antonio. During the two-day event, forty chefs from across Texas learned about the beef lifecycle from pasture to plate from speakers who shared their valuable beef industry knowledge.

“The goal of the Summit was to bring Texas chefs from different sectors of the foodservice industry together and take a deep dive into the beef production process,” said Chef Robert Hale, manager of culinary and foodservice for TBC. “These chefs were able to hear from industry experts and share their own unique experiences as well. When they left the Summit, we wanted them to feel good about choosing beef and including it in more of their dishes, which has the potential to put beef on more consumers’ plates.”

### **USDA to Create ASF Protection Zone for Puerto Rico**

USDA on Thursday said it is preparing to establish a foreign animal disease protection zone in Puerto Rico and the U.S. Virgin Islands as part of its efforts to safeguard the U.S. swine herd from African swine fever following the detection of the virus last month in the Dominican Republic.

The protection zone designation allows the United States to maintain its current animal health status should an animal test positive for ASF in the island territories and is intended to ensure the continued flow of U.S. pork and live swine exports in international markets.

### **TCFA and Industry Events**

**TCFA 2021 Annual Convention**, Oct. 24-26 in Oklahoma City, Okla. Register [here](#).

**U.S. CattleTrace Symposium**, Nov. 18-19 in Wichita, Kan. Details will be announced in September.

**Cattle Industry Convention and NCBA Trade Show**, Feb. 1-3, in Houston. Details to be announced.



# TCFA MARKET REPORT



August 27, 2021

AVERAGE PRICE		
	Steers	Heifers
This Week**	\$122.37	\$122.13
Last Week***	\$121.79	\$121.59
Net Change	+\$ 0.58	+\$ 0.54

CARCASS CUTOUT					
Date	Ch. 1-3	Se. 1-3	Fab	Trmg	Total
Thurs. 08/26	347.27	319.59	55	22	77
Wed. 08/25	346.89	315.69	61	37	98
Tues. 08/24	347.58	316.90	75	31	106
Mon. 08/23	348.03	319.40	56	27	83
Fri. 08/20	345.06	318.53	56	29	85

LIVE CARCASS - RETAIL PRICES				
	This Week	Last Week	Month Ago	Year Ago
	08/27/21	08/20/21	07/30/21	08/28/20
Live, \$/cwt.	122.37	121.79	118.97	105.00
Carcass Price Index	258.47	255.64	220.78	190.23
*Retail, \$/lb.	6.46	6.29	6.96	5.59

**Estimated Hide and Offal Value** from an average 1,400-lb. slaughter steer this week was \$15.12 per cwt. live weight, compared to \$15.07 last week and \$7.81 last year.

GRAIN SALES			
	Price per cwt.	Basis per bu.	
<b>North Plains</b>			
Corn	\$12.46 - \$12.82	+ 1.45 to	+ 1.65
Milo	\$10.94 - \$11.48	+ 0.60 to	+ 0.90
<b>South Plains</b>			
Corn	\$13.08 - \$13.26	+ 1.80 to	+ 1.90
Milo	\$10.94 - \$11.48	+ 0.60 to	+ 0.90
<b>U.S. Exports</b>	<b>Sales</b>	<b>Shipments</b>	
	Million Bushels	Million Bushels	
Corn	0.3M	29.9M	
Milo	2.1M	5.0M	

Cash prices per cwt. f.o.b. elevator:  
Basis -- CBOT September Futures  
Thursday close

SALES						
	This Week**			Last Week***		
	Steers	Heifers	Total	Steers	Heifers	Total
Cash	2,832	3,883	6,715	2,910	6,387	9,297
Formula	35,657	20,155	55,812	33,382	25,016	58,398
Total	38,489	24,038	62,527	36,292	31,403	67,695

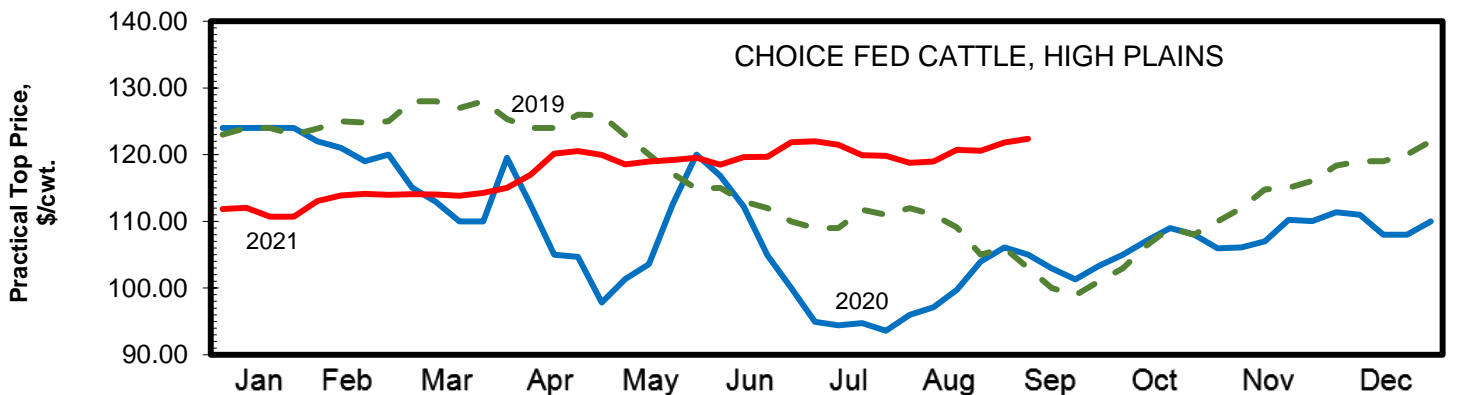
Year Ago	Steers	Heifers	Total	** Preliminary
	62,903	27,703	90,606	***Final

TCFA AREA SALES				*Convert to Formula
Steer & heifer average weights 1200-1350 lbs. All 65-80% Choice				
Steers		Heifers		
332	123.00	1,263	123.00	
574	122.00	364	122.00	
378	123.00 Grid	490	120.00	
1,548	Grid	149	*CTF	
		1,617	Grid	

WEEKLY BEEF EXPORTS (Metric Tons)			
	08/19/21	08/12/21	08/20/20
Weekly Exports	18,700	19,700	18,200
Weekly Net Sales	10,400	11,100	11,800

TCFA Live Cattle Basis (Cash Minus Futures)	LIVE	08/27/21	Wkly Chg	08/20/21	08/28/20	5-Yr Avg
	Spot	0.37	2.86	-2.49	1.78	1.65
	Aug-21	0.37	2.86	-2.49	1.78	N/A
	Oct-21	-6.76	0.50	-7.26	0.10	2.13
	Dec-21	-12.96	-0.22	-12.74	-3.50	-1.62
	Feb-22	-16.58	-0.14	-16.44	-6.85	-4.99
	Apr-22	-19.51	-0.60	-18.91	-9.10	-6.24
	Jun-22	-13.86	-0.87	-12.99	-2.75	0.12

TCFA Feeder Cattle Basis (Cash Minus Futures)	FEEDER	08/20/21	Wkly Chg	08/13/21	08/21/20	5-Yr Avg
	Spot	-7.07	-0.81	-6.26	-2.04	-1.08
	Aug-21	-7.07	-0.81	-6.26	-2.04	-1.08
	Sep-21	-13.54	-2.25	-11.29	-3.96	-0.85
	Oct-21	-15.67	-1.68	-13.99	-4.39	0.39
	Nov-21	-16.84	-1.33	-15.51	-4.61	0.93
	Jan-22	-15.97	-1.01	-14.96	-2.54	3.34
	Mar-22	-16.07	-1.06	-15.01	-1.36	4.28
	Apr-22	-17.04	-1.25	-15.79	-2.19	3.49



**MEAT PRODUCTION**

<b>Slaughter (head)</b>				<b>Production (million lbs.)</b>			
	<u>08/28/21</u>	<u>08/21/21</u>	<u>08/29/20</u>		<u>08/28/21</u>	<u>08/21/21</u>	<u>08/29/20</u>
Cattle	651,000	665,000	654,000	Beef	531.9	543.5	548.7
Hogs	2,444,000	2,445,000	2,653,000	Total Meat	1045.3	1057.8	1108.4

<b>Average Weights</b>							<b>Total F.I. Meat Production for the week ending August 28, 2021 is 1.2% lower than last week and 5.7% lower than a year ago.</b>
<b>This Week</b>		<b>Last Week</b>		<b>Year Ago</b>			
<u>08/28/21</u>		<u>08/21/21</u>		<u>08/29/20</u>			
Live	Dressed	Live	Dressed	Live	Dressed		
Cattle	1352	819	1353	819	1374	841	
Hogs	280	209	281	210	281	210	

**FUTURES**

<b>Live Cattle</b>	<b>August</b>			<b>October</b>			<b>December</b>			<b>February</b>		
	<u>High</u>	<u>Low</u>	<u>Close</u>	<u>High</u>	<u>Low</u>	<u>Close</u>	<u>High</u>	<u>Low</u>	<u>Close</u>	<u>High</u>	<u>Low</u>	<u>Close</u>
Mon.	127.18	124.30	126.45	132.63	129.55	131.95	137.38	134.73	136.83	140.08	138.35	139.43
Tues.	127.48	125.70	125.80	132.85	131.60	131.70	138.23	136.75	137.40	140.55	139.28	139.98
Wed.	126.15	124.30	124.43	131.80	130.25	130.30	137.65	136.23	136.28	140.53	139.50	139.60
Thurs.	124.28	123.05	123.28	130.38	129.30	129.60	136.30	135.18	135.63	139.53	138.60	139.00
Fri.	123.40	120.18	122.00	130.08	128.35	129.13	136.03	134.55	135.33	139.28	138.23	138.95
Weekly	127.48	120.18	122.00	132.85	128.35	129.13	138.23	134.55	135.33	140.55	138.23	138.95

<b>Feeder Cattle</b>	<b>August</b>			<b>September</b>			<b>October</b>			<b>November</b>		
	<u>High</u>	<u>Low</u>	<u>Close</u>	<u>High</u>	<u>Low</u>	<u>Close</u>	<u>High</u>	<u>Low</u>	<u>Close</u>	<u>High</u>	<u>Low</u>	<u>Close</u>
Mon.	158.90	157.50	158.20	169.53	165.23	167.30	172.48	167.55	170.68	172.90	168.60	171.70
Tues.	159.00	157.95	158.58	168.95	165.38	165.78	172.55	169.68	170.23	173.33	170.73	171.20
Wed.	159.70	158.80	159.30	167.08	165.03	165.15	171.20	169.20	169.28	172.20	170.45	170.53
Thurs.	159.58	158.85	159.45	165.98	163.73	164.45	169.85	167.35	168.28	170.88	168.73	169.65
Fri.	-----	-----	-----	165.35	163.58	164.65	169.20	167.23	168.43	170.68	168.78	169.95
Weekly	159.70	157.50	159.45	169.53	163.58	164.65	172.55	167.23	168.43	173.33	168.60	169.95

**AUCTION REPORT**

	<u>Amarillo</u>	<u>Okl. City</u>	<u>San Angelo</u>	<u>Tulia</u>	<u>Dalhart</u>	<u>OKC West</u>	<u>Woodward</u>
Volume--		5,186	805	736	1,704	6,685	2,235
<b>Feeder Steers:</b>							
Med. 1 3/4	-----	205.00-208.00	-----	196.00-200.00	-----	198.50-205.00	171.00-200.00
4/5	-----	161.00-185.00	187.00	183.00	183.50-186.00	170.00-182.50	162.00-190.00
5/6	-----	162.00-175.00	166.00-173.00	163.50-181.00	159.00-183.00	170.00	147.00-173.00
6/7	-----	155.00-177.50	155.00-157.00	137.50	161.00-171.00	152.00-172.50	137.00-176.25
7/8	-----	144.00-167.25	146.00-151.00	-----	159.00-170.75	145.50-164.75	138.00-162.00
Med. 1 & 2 3/4	-----	-----	182.00-192.00	-----	179.00	197.50	166.00
4/5	-----	140.00-170.00	171.00-177.00	-----	170.00-178.00	162.50-170.00	155.00-170.00
5/6	-----	140.00-168.00	150.00-160.00	158.00	152.00-162.00	146.00-169.50	-----
<b>Feeder Heifers:</b>							
Med. 1 3/4	-----	163.00-173.00	-----	163.00-170.00	176.00	170.00-182.00	143.00-172.00
4/5	-----	150.00-175.00	154.00-158.00	155.00-160.50	145.00-160.50	149.00-159.00	144.00-164.00
5/6	-----	142.00-163.00	141.00-148.00	124.00-149.00	139.00-161.00	144.00-162.00	133.00-148.00
6/7	-----	142.00-158.00	140.00-143.00	134.00-137.00	152.50-163.50	150.00-159.50	126.00-154.00
7/8	-----	141.00-156.50	127.00-139.00	130.50-143.00	143.00-148.50	144.00-154.75	122.00-153.75
Med. 1 & 2 3/4	-----	-----	155.00	158.00	-----	-----	-----
4/5	-----	129.00-148.00	144.00-149.00	143.00	-----	142.50-156.00	-----

**Amarillo** – Amarillo auction was not reported by AMS.

**Oklahoma City** – Feeder steers steady to \$3 higher. Feeder heifers \$3 - \$6 higher.

**San Angelo** – Steer and heifer calves and yearlings \$2 - \$4 higher.

**Tulia** – Not enough comparable sales for a market trend; however, a higher undertone was noted on calves.

**Dalhart** – Feeder steers and heifers over 600 lbs. \$1 - \$2 higher.

**OKC West** – Feeder steers sold \$2 - \$3 higher. Feeder heifers traded \$2 - \$4 higher.

**Woodward** – Feeder steers steady to \$3 higher. Feeder heifers mostly steady.

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