

Fundamentals:

Cash: Firm

Cutout: Mixed

Slaughter (EST): 478K

WTD: 1.421M vs 1.393M week ago

Next week EST: 2.580M

Saturday, July 25: 230K (EST)

Net Sales: 31,800MT (-17% w/w & -4% vs prior 4-week average)

Mexico (12,800MT), China (6,600MT), Japan (4,100MT)

Exports: 35,700MT (+22% w/w & 16% vs prior 4-week average)

China (13,700MT), Mexico (8,600MT), Japan (3,500MT)

Pork in cold storage: 464M lbs vs 467.93M lbs in May & 619.45M lbs year ago

Hams in cold storage: 124.30M lbs vs 107,540M lbs in May & 168,599M lbs year ago

Bellies in cold storage: 55.54M lbs vs 59,182M lbs in May & 56.47M lbs year ago

[Reuters](#)- Frozen Pork

DATE:	Standard Margin Operating Index	Est. Margin at vertically integrated operations
July 22	\$66.46	\$14.71
July 21	\$79.53	\$21.96
July 20	\$71.77	\$13.51

Open Interest (preliminary)			
Contract	Volume	Total O/I	Change O/I
AUG20	10,465	39,004	-2,322
OCT20	11,799	93,455	1,161
DEC20	7,018	43,197	638
FEB21	3,129	21,983	522
APRIL21	1,781	16,466	365
JUNE21	739	5,735	164
Total	35,110	222,293	579

Previous day most active options			
MONTH	STRIKE	PUT/CALL	Volume
AUG20	50	P	640 71
OCT20	46	P	458 83
AUG20	53	C	339 279
AUG20	52	C	304 33
AUG20	54	C	271 99
OCT20	42	P	207 (88)
OCT20	55	C	204 (130)
PUTS: 4,118 640 (88,194 Open)			
CALLS: 2,766 701 (80,361 Open)			

	AUG20 (HEQ20)	OCT20 (HEV20)	DEC20 (HEZ20)	FEB21 (HEG21)
	\$54.95	\$52.10	\$53.90	\$62.80
Resistance	\$53.625	\$50.85	\$52.60	\$61.45
Settlement	\$52.65	\$50.075	\$51.45	\$60.35
Support	\$51.50	\$49.20	\$50.60	\$59.60
	\$50.30	\$47.80	\$49.40	\$58.20
RSI (14)	52.37%	48.25%	46.89%	51.12%
ATR (14)	\$1.89	\$1.57	\$1.18	\$1.00
ATM IV	33.43	42.48	39.03	29.88

China Hog Price for 7.23.2020: 37.35 ¥/kg, -0.29 ¥/kg

China Pork Price for 7.23.2020: 48.88 ¥/kg, -0.20%

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