

Daily Futures Market Commentary Livestock Outlook

THURSDAY MORNING MARCH 30, 2023 LIVESTOCK REPORT

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BEEF AND PORK EXPORT HIGHLIGHTS ON LAST PAGE

CATTLE

DAILY CATTLE SLAUGHTER

MARCH 29, 2023	127,000
WEEK AGO	126,000
YEAR AGO	125,000
WEEK TO DATE	379,000
SAME PERIOD LAST WEEK	378,000
SAME PERIOD LAST YEAR (ACT)	370,000

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BOXED BEEF 2:00 PM	CHOICE	SELECT
CURRENT CUTOUT VALUES:	280.29	268.90
CHANGE FROM PRIOR DAY:	(0.34)	(1.46)
CHOICE/SELECT SPREAD:		11.39
TOTAL LOAD COUNT (CUTS, TRIMMINGS, GRINDS)		114
5 DAY SIMPLE AVERAGE:	280.99	269.51

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CME BOXED BEEF INDEX ON 03/28/2023 WAS 279.05 DOWN 20 CENTS FROM PREVIOUS DAY.

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2:00 PM MARCH 29, 2023

PRIMAL RIB	450.77	425.04
PRIMAL CHUCK	222.26	219.46

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PRIMAL ROUND	213.65	212.86
PRIMAL LOIN	390.25	357.06
PRIMAL BRISKET	217.45	214.71
PRIMAL SHORT PLATE	222.36	222.36
PRIMAL FLANK	175.11	167.36

2:00 PM MARCH 28, 2023

PRIMAL RIB	450.41	424.93
PRIMAL CHUCK	224.46	221.40
PRIMAL ROUND	216.63	214.38
PRIMAL LOIN	386.01	359.34
PRIMAL BRISKET	217.38	215.35
PRIMAL SHORT PLATE	220.72	220.72
PRIMAL FLANK	177.72	171.93

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LOAD COUNT AND CUTOFF VALUE SUMMARY

Date	Choice	Select	Trim	Grinds	Total	600-900	600-900
03/28	59	23	10	11	103	280.63	270.36
03/27	41	8	5	17	71	280.36	269.72
03/24	74	11	7	17	108	279.88	268.75
03/23	82	22	0	15	119	282.78	268.89
03/22	94	13	12	28	147	281.30	269.82

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National Boxed Beef Cuts - Negotiated Sales

FOB Plant basis negotiated sales for delivery within 0-21 day period. Prior days sales after 1:30pm are included.

Choice Cuts	69.43 loads	2,777,035 pounds
Select Cuts	17.37 loads	694,916 pounds
Trimming	6.32 loads	252,646 pounds
Ground Beef	21.24 loads	849,747 pounds

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MARCH 2023 USDA LIVESTOCK REPORTS

HOGS AND PIGS REPORT – THURSDAY MARCH 30, 2023 2:00PM CST

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First notice day is April 10th and Wednesday the April Live Cattle settled at \$165.82 and the 5 day cash steer price average is \$164.61.

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Packers are slow buying cattle this week. There is a standoff between packers and feedlots. Southwest feedlots are asking \$166 to \$167.00 and Midwest feedlots want \$168.00. At the online sale this week sellers passed \$163.00. The higher futures market and light kill over the past few weeks has feedlots thinking packers are short bought and are asking for more money.

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MEAT CONSUMPTION HOLDS STEADY AS CONSUMERS ALTER AMOUNT, TYPE TO COMBAT INFLATION

<https://www.mckinsey.com/industries/consumer-packaged-goods/our-insights/for-love-of-meat-five-trends-in-china-that-meat-executives-must-grasp>

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So far this week, the Dow Jones Industrials have been trending higher so with light volume trading as funds wait to establish new positions next week, markets haven't been reacting to any disturbing financial news.

Packers will be buying this week for cattle delivered next week, the first week of April and will be pulling in their own cattle and contracted cattle. Last week's slaughter was light at 626,000, down 5000 head from the previous week. Cattle were also lighter at least cattle bought on the showlists. This week will also be a lighter slaughter. Packers will be killing on Friday, Good Friday, but as usually is the case on Easter weekend, there will be fewer people showing up. Saturday, slaughter should be very light.

BEEF EXPORTS FOR WEEK ENDING MARCH 23, 2023

Beef net sales were just 11,300 MT. The largest buyer if you can call it large was Japan taking 2,700 MT followed by China with 2,500 MT and Taiwan buying 1,700 MT. South Korea took just 1,600 MT. Exports over the past month are low, too low to help improve prices.

Week ending March 16, 2023 beef net sales were 18,600 MT.

Week ending March 9, 2023 beef net sales were 17,700 MT.

Week ending March 2, 2023 beef net sales were 5,600 MT.

Week ending February 23, 2023 beef net sales were 8,100 MT.

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National Weekly Fed Cattle Comprehensive Report March 28, 2023

As of March 28, 2023 dressed steer and heifer carcasses averaged 862.0 pounds down 1.7 pounds from previous week at 863.7 pounds and 17.5 pounds less than a year ago. The grading percent as of 3/28/23 was 85.2% compared to previous week at 84.3%.

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As of March 29, 2022 dressed steer and heifer carcasses averaged 879.5 pounds. The grading percent was 85.2%.

https://www.ams.usda.gov/mnreports/ams_2700.pdf

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*****NATIONAL DAILY DIRECT CATTLE 03/29/23**
5 DAY ACCUMULATED WEIGHTED AVG

	WEIGHT	PRICE	HEAD
LIVE STEER:	1469	\$164.61	36,320
LIVE HEIFER:	1321	\$163.98	16,529
DRESSED STEER	935	\$265.11	11,938
DRESSED HEIFER:	841	\$264.87	2,332

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USDA POSTED SUMMARY CATTLE PRICES ON 03/29/2023

IA/MN – CASH – 165.00 28 HEAD MIXED LOAD
DRESSED – 265.00 ON 329 HEAD STEERS

NE – CASH – NO REPORTABLE TRADE
DRESSED – NO REPORTABLE TRADE

KS – CASH – NO REPORTABLE TRADE
DRESSED - NO REPORTABLE TRADE

TX/OK/NM CASH – NO REPORTABLE TRADE
DRESSED – NO REPORTABLE TRADE.

CO - **NOT REPORTED DUE TO CONFIDENTIALITY**

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NATIONAL WEEKLY DIRECT BEEF TYPE PRICE DISTRIBUTION
USDA WEIGHTED AVERAGE PRICE

[HTTPS://MYMARKETNEWS.AMS.USDA.GOV/VIEWREPORT/3492](https://mymarketnews.ams.usda.gov/viewreport/3492)

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CANNOT POST REPORTS

JUNE 2023 LIVE CATTLE/JUNE 2023 LEAN HOGS –
APRIL 2023/JUNE 2023 LIVE CATTLE SPREAD –
AUGUST LIVE CATTLE/OCTOBER LIVE CATTLE SPREAD -
APRIL 2023 LIVE CATTLE –
JUNE 2023 LIVE CATTLE –
DECEMBER 2023 LIVE CATTLE –

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FEEDER CATTLE

CME FEEDER INDEX ON 03/28/2023 WAS \$191.27 DOWN 7 CENTS FROM PREVIOUS DAY –

MARCH 2023 FEEDER CATTLE FUTURES SETTLED ON 03/29/2023 AT \$191.45

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NATIONAL FEEDER & STOCKER CATTLE SUMMARY - WEEK ENDING 03/25/2023

RECEIPTS:	AUCTIONS	DIRECT	VIDEO/INTERNET	TOTAL
THIS WEEK:	186,600	27,200	5,000	218,800
LAST WEEK:	194,400	45,700	44,100	284,200
YEAR AGO:	166,900	29,900	24,900	221,700

COMPARED TO LAST WEEK, STEERS AND HEIFERS UNDER 700 LBS SOLD UNEVEN FROM STEADY TO 5.00 LOWER, TO 2.00 TO 6.00 HIGHER. OVER 700 LBS SOLD MOSTLY STEADY TO 3.00 LOWER TO INSTANCES 5.00 HIGHER. THE MARKET WAS THE MOST ACTIVE ON LIGHT WEIGHT CATTLE. CATTLE THAT ARE GREEN ENOUGH TO RUN ON GRASS, OR BE BACKGROUNDED IN A YARD, ARE HIGHLY SOUGHT AFTER AS THE FALL MONTHS OF THE CME FEEDER CATTLE CONTRACT ARE SO ATTRACTIVE.

[HTTPS://WWW.AMS.USDA.GOV/MNREPORTS/SJ_LS850.TXT](https://www.ams.usda.gov/mnreports/sj_ls850.txt)

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MAY 2023 FEEDER CATTLE/AUGUST 2023 FEEDER CATTLE SPREAD –
MAY 2023 FEEDER CATTLE –
AUGUST 2023 FEEDER CATTLE –

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HOGS

USDA ESTIMATED FEDERAL HOG SLAUGHTER

MARCH 29, 2023	477,000
WEEK AGO	478,000
YEAR AGO	479,000
WEEK TO DATE	1,443,000
SAME PERIOD LAST WEEK	1,422,000
SAME PERIOD LAST YEAR (ACT)	1,442,000

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CME LEAN HOG INDEX ON 03/27/2023 WAS \$ 76.25 DOWN 45 CENTS FROM PREVIOUS DAY

CME PORK CUTOUT INDEX 03/28/2023 AT \$80.46 DOWN 45 CENTS FROM PREVIOUS DAY

THE CME LEAN HOG INDEX IS MINUS \$4.21 TO THE CME PORK INDEX.

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Hogs and Pigs Estimates

“March 27 (Reuters) - The U.S. hog herd was likely about the same size on March 1 compared with a year earlier, a Reuters survey of analysts showed on Monday ahead of the U.S. Department of Agriculture's quarterly Hogs and Pigs report.” Reuters News

	Ranges	Average	Mln head
All hogs March 1	98.6-101	100.2	72.834
Kept for breeding	100-101	100.5	6.128
Kept for market	98.4-100.9	100.2	66.724

Pig crop		
December-February	100.5-102	101.2

Weight Groups		
Under 50 lbs	98.5-102.2	100.6
50-119 lbs	98.5-101.5	100
20-179 lbs	98.3-100.2	99.2
Over 180 lbs	98.3-102	100.2

Farrowings		
December-February	100.2-101.3	100.8

Farrowing intentions		
March-May	100-101.5	100.6
June-August	99-100.8	100.1

Pigs per litter		
December-February	100-101	100.5

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Lean hog trade volume was very light Wednesday with traders spreading, selling June and buying months after it as well as outright selling futures. April settled at \$76.77 with the latest CME Lean Hog Index at \$76.25.

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Before Thursday's Hogs and Pigs report, trading will remain light until Monday April 3rd when traders are back after Easter.

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MEAT CONSUMPTION HOLDS STEADY AS CONSUMERS ALTER AMOUNT, TYPE TO COMBAT INFLATION

<https://www.mckinsey.com/industries/consumer-packaged-goods/our-insights/for-love-of-meat-five-trends-in-china-that-meat-executives-must-grasp>

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FOR LOVE OF MEAT: FIVE TRENDS IN CHINA THAT MEAT EXECUTIVES MUST GRASP

<https://www.mckinsey.com/industries/consumer-packaged-goods/our-insights/for-love-of-meat-five-trends-in-china-that-meat-executives-must-grasp>

(The US pork industry should look at Exhibit 3. The US eats more poultry, beef, fish/seafood than pork.)

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PORK EXPORTS

Pork net exports sales for March 23, 2023 had another strong week at 30,400 MT which is good with the US killing more hogs in 2023. Mexico took 14,600 MT followed by Japan at 4100MT and Australia third largest taking 2100 MT followed by Canada at 1600 MT.

WEEK ENDING MARCH 16, 2023 NET EXPORT SALES WERE 38,000 mt
WEEK ENDING MARCH 9, 2023 NET EXPORT SALES WERE 35,600 MT
WEEK ENDING MARCH 2, 2023 NET EXPORT SALES WERE 22,100 MT
WEEK ENDING FEBRUARY 23, 2023 NET EXPORT SALES WERE 31,000 MT
WEEK ENDING FEBRUARY 16, 2023 NET EXPORT SALES WERE 51,900 MT.

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PORK REPORT FOB PLANT - NEGOTIATED SALES

Based on negotiated prices and volume of pork cuts delivered within 14 days and on average industry cutting yields. Calculations for 215 lb. Pork Carcass. 55-56% lean, 0.55"-0.70" BF Last Rib

LOADS PORK CUTS : 270.04

LOADS TRIM/PROCESS PORK : 45.87

11:00 AM	LOADS	CARCASS	LOIN	BUTT	PIC	RIB	HAM	BELLY
03/27/2023	315.90	80.26	81.16	104.44	67.16	115.04	70.97	91.49
CHANGE:		0.26	-1.34	0.06	-0.52	-0.59	-3.04	7.85
FIVE DAY AVERAGE --		80.57	82.58	104.49	68.97	117.11	72.53	86.78

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2:00 PM	LOADS	CARCASS	LOIN	BUTT	PIC	RIB	HAM	BELLY
03/28/2023	352.81	80.00	82.50	104.38	67.68	115.63	74.01	83.64
CHANGE:		-1.22	0.00	-0.18	-2.43	-2.40	0.60	-5.43
FIVE DAY AVERAGE --		80.49	83.03	104.47	69.78	118.28	72.33	84.90

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****DAILY DIRECT AFTERNOON HOG REPORT - PLANT DELIVERED PURCHASE**

MARCH 28, 2023

<https://www.ams.usda.gov/sites/default/files/media/LMRswineReportingHandout.pdf>

National Negotiated Carcass Price

Head Count: 11,065

Lowest price: 71.00

Highest price: 77.00

Weighted Average 75.64

Change from Previous Day -0.20 lower

Other Market Formula (Carcass)

Head Count: 26,849

Lowest Base Price: 70.17

Highest Base Price: 91.51

Weighted Average Price: 77.90

Swine/Pork Market Formula (Carcass)

Head Count 149,829

Lowest base price: 64.51

Highest Base Price: 82.36

Weighted Average Price 74.35

Other Purchase Arrangement (Carcass)

HEAD COUNT: 73,400

Lowest base price: 70.40

Highest base price: 113.62

Weighted Average Price: 80.11

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****NATIONAL DAILY DIRECT HOG PRIOR DAY REPORT - SLAUGHTERED SWINE**

[HTTPS://WWW.AMS.USDA.GOV/MNREPORTS/AMS_2511.PDF](https://www.ams.usda.gov/mnreports/ams_2511.pdf)

SLAUGHTER DATA FOR MARCH 28, 2023

****PRODUCER SOLD:**

HEAD COUNT 232,215

AVERAGE LIVE WEIGHT 285.83

AVERAGE CARCASS WEIGHT 213.73

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PACKER SOLD:

HEAD COUNT 31,527

AVERAGE LIVE WEIGHT 289.42

AVERAGE CARCASS WEIGHT 216.47

PACKER OWNED:

HEAD COUNT 172,230

AVERAGE LIVE WEIGHT 294.58

AVERAGE CARCASS WEIGHT 223.21

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APRIL 2023/JUNE LEAN HOG 2023 SPREAD –

OCTOBER LEAN HOGS/DECEMBER 2023 LEAN HOGS –

APRIL 2023 LEAN HOGS –

JUNE 2023 LEAN HOGS -

OCTOBER 2023 LEAN HOGS –

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BEEF: NET SALES OF 11,300 MT FOR 2023 WERE DOWN 40 PERCENT FROM THE PREVIOUS WEEK AND 10 PERCENT FROM THE PRIOR 4-WEEK AVERAGE. INCREASES WERE PRIMARILY FOR JAPAN (2,700 MT, INCLUDING DECREASES OF 900 MT), CHINA (2,500 MT, INCLUDING DECREASES OF 100 MT), TAIWAN (1,700 MT, INCLUDING DECREASES OF 100 MT), SOUTH KOREA (1,600 MT, INCLUDING DECREASES OF 400 MT), AND CANADA (700 MT). EXPORTS OF 16,600 MT WERE UP 23 PERCENT FROM THE PREVIOUS WEEK AND 13 PERCENT FROM THE PRIOR 4-WEEK AVERAGE. THE DESTINATIONS WERE PRIMARILY TO SOUTH KOREA (5,100 MT), JAPAN (3,800 MT), CHINA (2,200 MT), MEXICO (1,300 MT), AND TAIWAN (1,100 MT).

PORK: NET SALES OF 30,400 MT FOR 2023 WERE DOWN 20 PERCENT FROM THE PREVIOUS WEEK AND 4 PERCENT FROM THE PRIOR 4-WEEK AVERAGE. INCREASES WERE PRIMARILY FOR MEXICO (14,600 MT, INCLUDING DECREASES OF 300 MT), JAPAN (4,100 MT, INCLUDING DECREASES OF 300 MT), AUSTRALIA (2,200 MT), CANADA (1,600 MT, INCLUDING DECREASES OF 500 MT), AND SOUTH KOREA (1,500 MT, INCLUDING DECREASES OF 600 MT). EXPORTS OF 32,400 MT WERE UP 6 PERCENT FROM THE PREVIOUS WEEK AND 7 PERCENT FROM THE PRIOR 4-WEEK AVERAGE. THE DESTINATIONS WERE PRIMARILY TO MEXICO (12,800 MT), CHINA (4,600 MT), JAPAN (4,600 MT), SOUTH KOREA (3,300 MT), AND CANADA (1,700 MT).

CHARTS FROM ESIGNAL INTERACTIVE, INC.

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