ADM Investor Services, Inc.

TUESDAY MORNING JUNE 20, 2023 LIVESTOCK REPORT

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CATTLE

JUNE 19, 2023	126,000
WEEK AGO	122,000
YEAR AGO	121,000

JUNE 16, 2023	118,000
WEEK AGO	115,000
YEAR AGO	123,000
SATURDAY 06/17/2023	16,000 A WEEK AGO 6,000, YEAR AGO 48,000
WEEK TO DATE (EST)	634,000
SAME PERIOD LAST WEEK (EST)	616,000
SAME PERIOD LAST YEAR (ACT)	668,000
2023 YEAR TO DATE	15,005,000
2022 YEAR TO DATE	15,576,000
YEAR TO DATE PERCENT CHANGE	MINUS 3.7% PREVIOUS WEEK MINUS 3.5%
	MINUS -571,000 HEAD YEAR TO DATE

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BOXED BEEF 2:00 PM	CHOICE	SELECT
CURRENT CUTOUT VALUES:	340.14	310.76
CHANGE FROM PRIOR DAY:	(2.95)	(0.19)
CHOICE/SELECT SPREAD:	29.38	
TOTAL LOAD COUNT (CUTS, TRIMMINGS, GRINDS)	101	
5 DAY SIMPLE AVERAGE:	339.93	309.90

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CME BOXED BEEF INDEX ON 06/15/2023 WAS 329.07 UP 2.36 FROM PREVIOUS DAY

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2:00 PM JUNE 19, 2023

PRIMAL RIB	523.11	431.40
PRIMAL CHUCK	265.78	263.59
PRIMAL ROUND	255.32	256.00
PRIMAL LOIN	491.04	412.37
PRIMAL BRISKET	275.94	255.75
PRIMAL SHORT PLATE	268.06	268.06
PRIMAL FLANK	230.24	209.25

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LOAD COUNT AND CUTOUT VALUE SUMMARY

Date	Choice	Select	Trim	Grinds	Total	600-900	600-900
06/16	40	13	9	13	74	343.09	310.95 FRIDAY
06/15	54	22	0	7	83	342.07	309.58
06/14	54	26	4	13	97	339.06	309.26
06/13	63	33	25	16	137	337.99	309.48
06/12	45	18	9	8	80	337.43	310.24
06/09	48	19	4	10	81	332.93	305.71 FRIDAY

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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	64.09 loads	2,563,504 pounds
Select Cuts	18.22 loads	728,885 pounds
Trimmings	3.84 loads	153,499 pounds
Ground Beef	15.01 loads	600,326 pounds

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JUNE 2023 LIVE CATTLE DELIVERIES

DELIVERY NOTICE SERVED – JUNE 2023 - LIVE CATTLE

DATE O6/15/23 SETTLEMENT: $178.35

OLDEST LONG – 01/10/23 $157.50

0 DELIVERIES

FIRM # FIRM NAME DEL REC

YARD LOCATION

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USDA LIVESTOCK REPORTS JUNE 2023 REPORTS

CATTLE ON FEED REPORT - FRIDAY, JUNE 23, 2023 - 2:00PM CENTRAL TIME

COLD STORAGE REPORT - FRIDAY, JUNE 23, 2023 - 2:00PM CENTRAL TIME

HOGS AND PIGS REPORT - THURSDAY JUNE 29, 2023 - 2:00PM CENTRAL TIME
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WEEKLY FUTURES PRICE CHANGE

	06/09/2023	06/16/2023	06/06/2023 HIGH CLOSE	06/07/2023 HIGHEST PRICE
JUNE 2023 LIVE CATTLE	178.22	178.35	179.82	182.87
AUGUST 2023 LIVE CATTLE	171.85	171.72	175.50	178.10
OCTOBER 2023 LIVE CATTLE	174.80	175.35	178.25	180.17
DECEMBER 2023 LIVE CATTLE	177.77	179.10	181.25	182.85
FEBRUARY 2023 LIVE CATTLE	180.95	182.80	184.77	186.00
APRIL 2024 LIVE CATTLE	183.55	185.30	187.32	188.30

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Time to Shake Things Up in the Meat Business

https://www.porkbusiness.com/news/hog-production/time-shake-things-meat-business-part-1

Pork is cheap compared to beef and going forward, as inflation remains high and food prices remain high , pork will compete with beef.
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Last week kill was 634,000 , up 18,000 above the past week, higher than kill has been over the past 3 weeks. However cash cattle were down and cash showlist sales in the Southwest very light with packers taking contract cattle and their own cattle as many feedlot managers passed $182.00. Packers likely intended to buy fewer showlist cattle in the Southwest. Packer margins have improved but they need heavier cattle. The spread between Choice and Select beef has been widening and with high temperatures in the Texas, cattle in those areas aren't going to put on pounds.

There was a higher boxed beef market and over the coming week beef prices will be a key factor for cattle prices. Packers are going to pass on cattle that aren't finished to their satisfaction.
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Traders are bear spreading. They are selling August 2023 Live Cattle and buying months out. It looks like they are setting market up for next weeks COF report. Currently, traders are anticipating from previous COF reports more cattle in the summer and then numbers will dwindle down for slaughter this fall and into 2024.

With very little change on June Live Cattle, up 12 cents from last week, and cash prices dropping from $2.00 to $5.00, the wide difference between the cash and futures is indicating cash prices likely have more downside.

Friday June 2023 Live Cattle settled at $178.35 and the 5 day negotiated price as of Friday was $184.99 with a difference of $6,64 compared to previous day at $8.34.
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BEEF NET EXPORTS FOR WEEK ENDING JUNE 8, 2023 WERE 12,800 MT, the same as the previous week China was the biggest buyer taking 4700 MT, followed by Japan with 3200 MT and Mexico taking 1800 MT.

Week Ending June 1, 2023 12,800 MT
Week Ending May 25 , 2023 18,100 MT
Week Ending May 18 , 2023 18,300 MT
Week Ending May 11, 2023 17,400 MT
Week Ending May 4, 2023 16,100MT
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NATIONAL WEEKLY FED CATTLE COMPREHENSIVE REPORT JUNE 13, 2023

As of June 13, 2023 dressed steer and heifer carcasses averaged 854.6 pounds down .9 pound from previous week at 855.5 pounds and 2.0 pounds over a year ago. The grading percent as of 6/13/23 was 81.4 % compared to previous week at 81.9%. A year ago the grade percent was 80.3%.
https://www.ams.usda.gov/mnreports/ams_2700.pdf

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*****NATIONAL DAILY DIRECT CATTLE 06/19/23**
5 DAY ACCUMULATED WEIGHTED AVG

	WEIGHT	PRICE	HEAD
LIVE STEER:	1419	$184.99	22,195
LIVE HEIFER:	1286	$184.31	9,280
DRESSED STEER	930	$296.09	11,258
DRESSED HEIFER:	836	$295.26	3,180

PREVIOUS WEEK
*****NATIONAL DAILY DIRECT CATTLE 06/09/23**

	WEIGHT	PRICE	HEAD
LIVE STEER:	1427	$188.64	46,629
LIVE HEIFER:	1289	$187.68	12,534
DRESSED STEER	916	$298.91	15,787
DRESSED HEIFER:	822	$298.76	3,343

USDA POSTED SUMMARY CATTLE PRICES ON 06/19/2023 STEER AND HEIFERS

IA/MN – CASH FOB – NO REPORTABLE TRADE
DRESSED DELIVERED – No Reportable Trade

NE – CASH FOB – 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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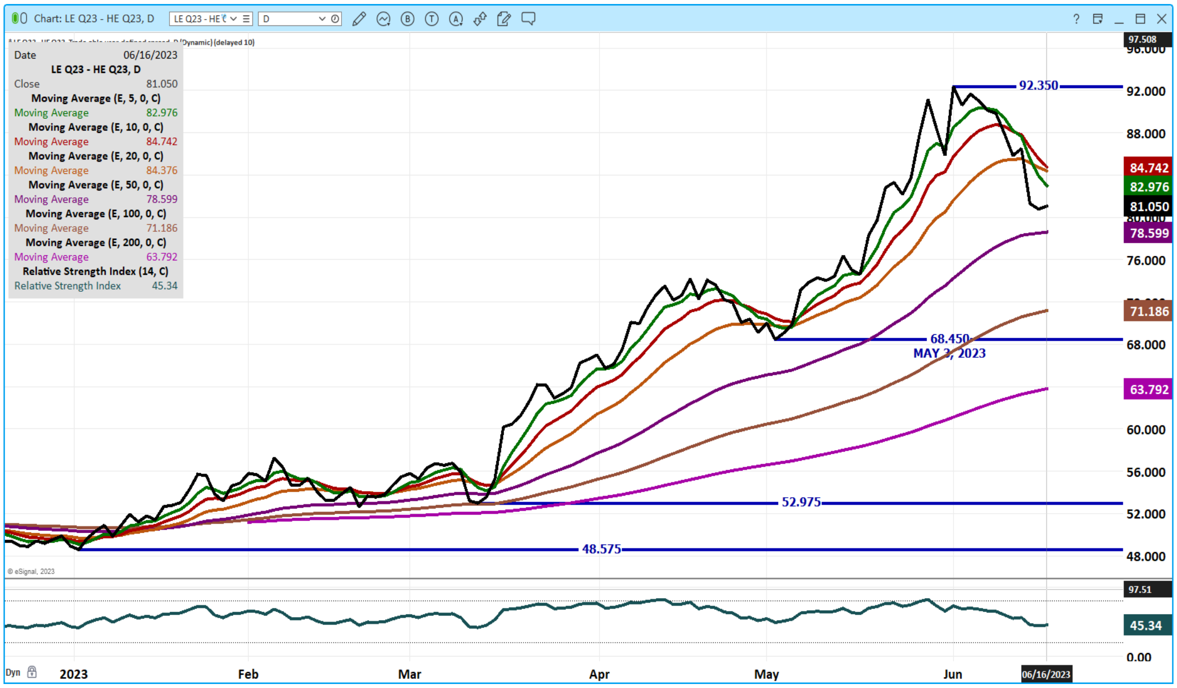
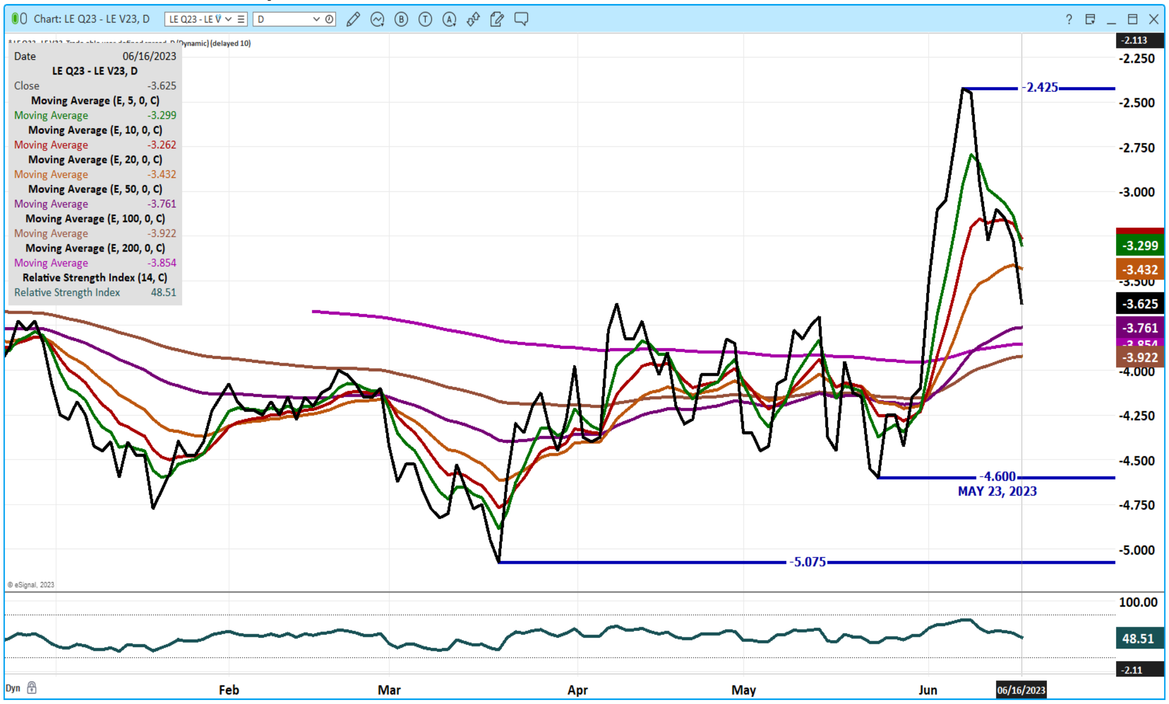
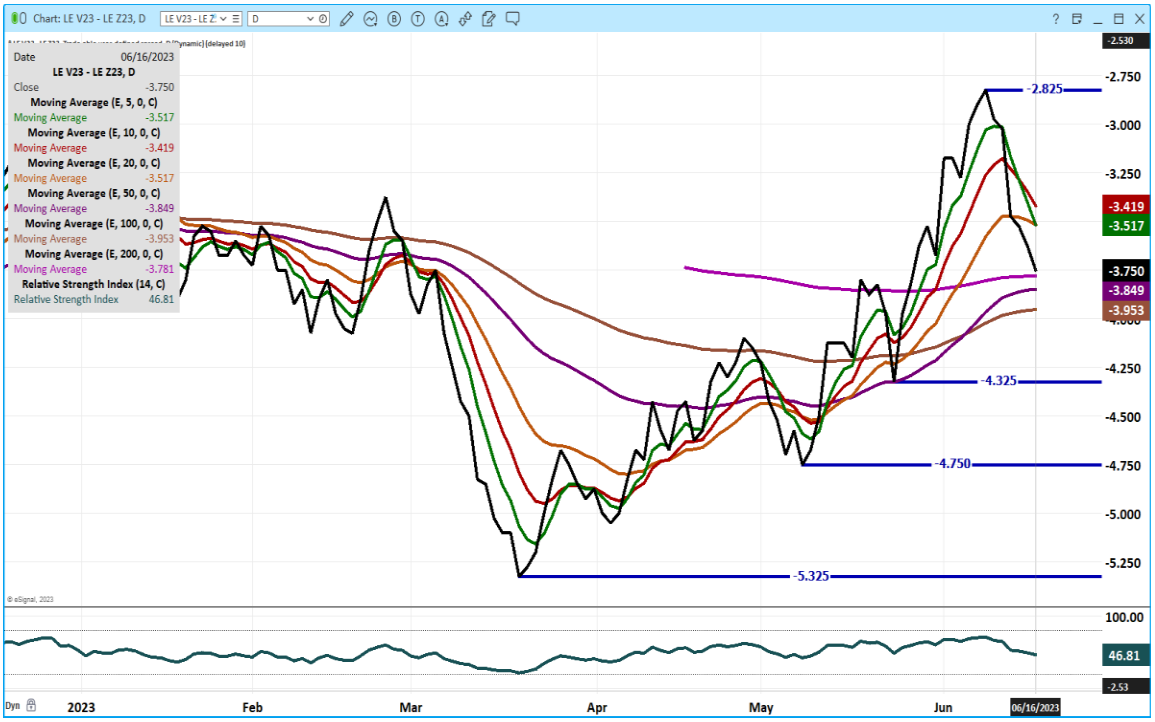
AUGUST LIVE CATTLE/AUGUST LEAN HOG SPREAD – CATTTLE LIKELY LOSE A BIT TO HOGS. PORK STRENTH FROM COMPETING WITH HIGH BEEF PRICES.



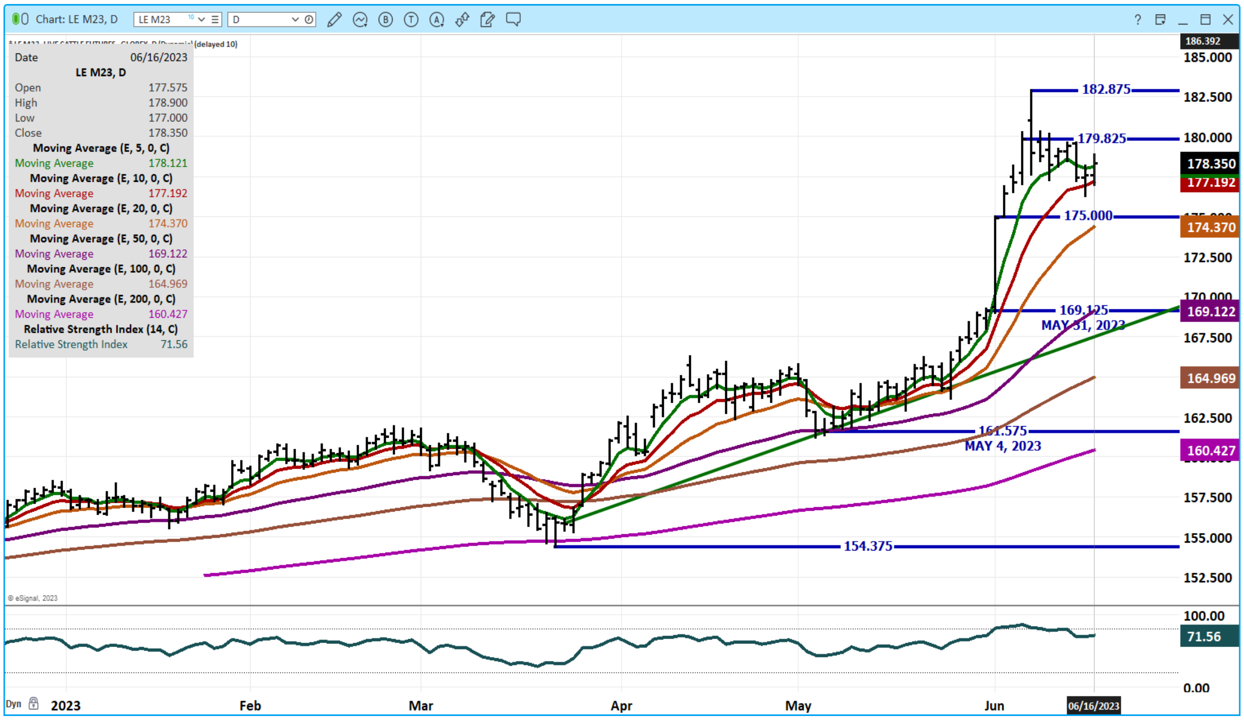
AUGUST LIVE CATTLE/OCTOBER LIVE CATTLE SPREAD – BEAR SPREAD - WATCH AFTER COF REPORT



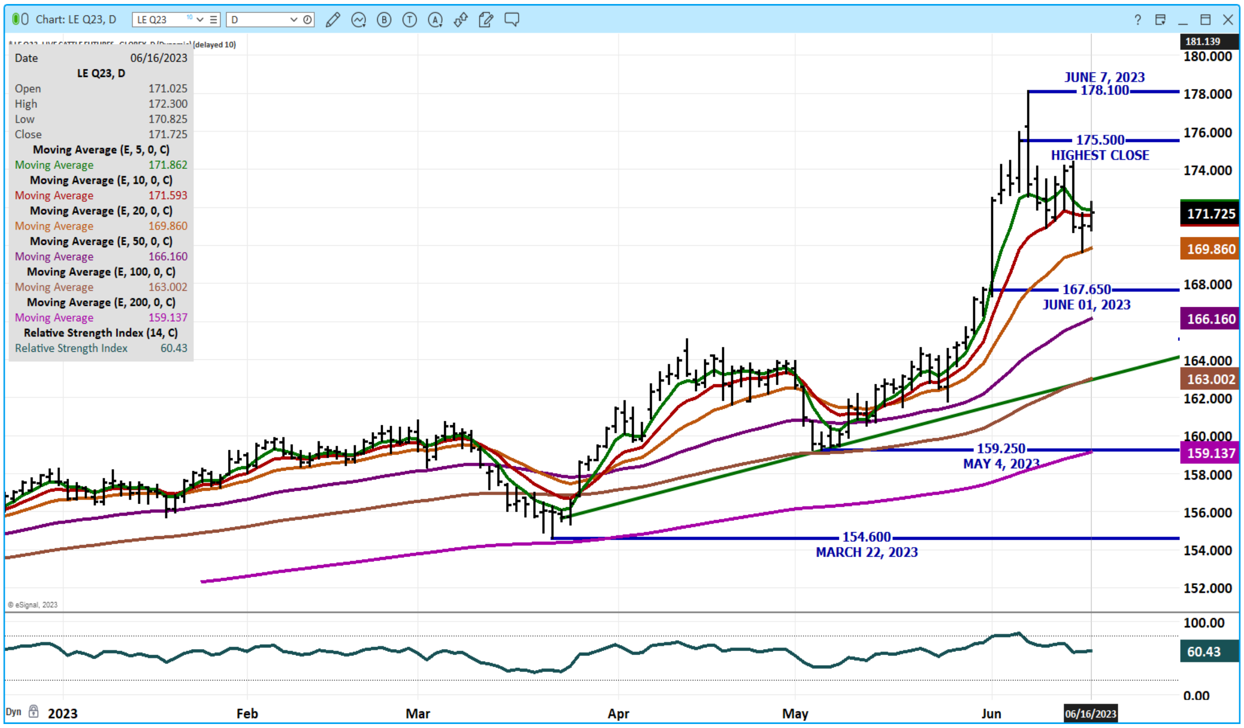
OCT/DEC 2023 LIVE CATTLE SPREAD – BEAR SPREAD - WATCH FOR DIRECTION AFTER COF REPORT



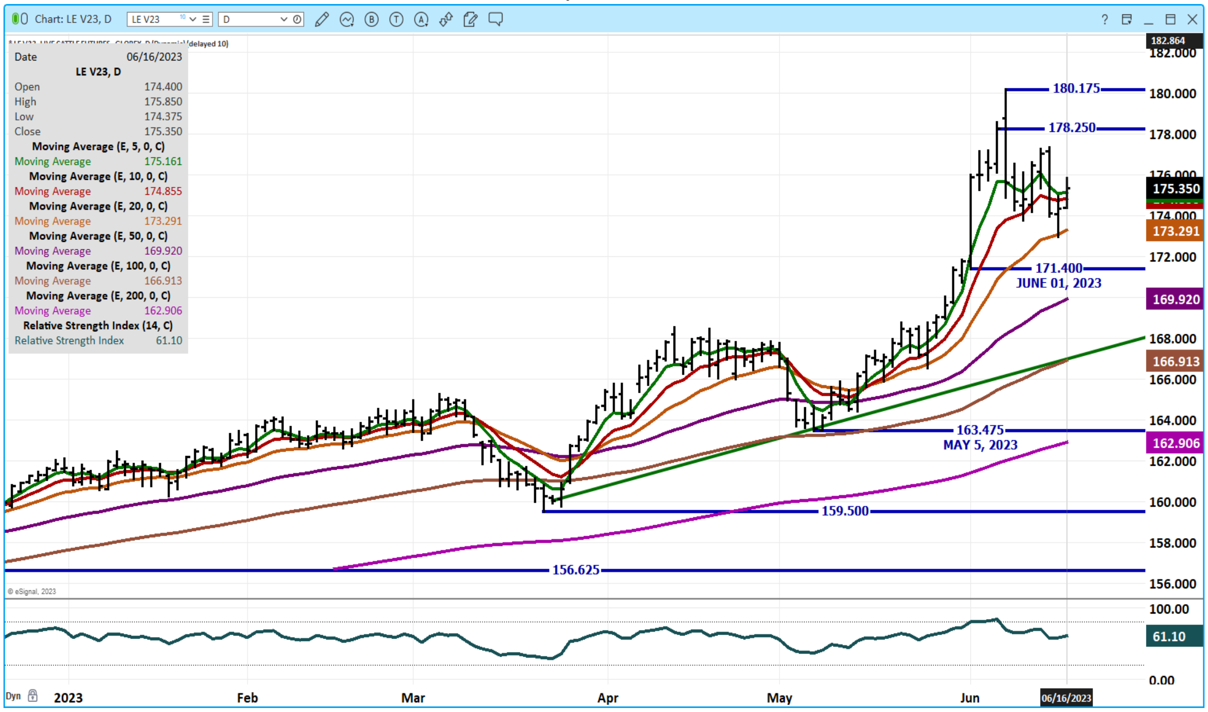
JUNE 2023 LIVE CATTLE – VOLUME AT 1278 OPEN INTEREST AT 5643



AUGUST 2023 LIVE CATTLE – VOLUME AT 21,122 SUPPORT AT 169.85 TO 167.66 RESISTANCEA AT 175.50 TO CONTRACT HIGHS



OCTOBER 2023 LIVE CATTLE – VOLUME AT 13,670 RESISTANCE AT 177.35 SUPPORT AT 173.25



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FEEDER CATTLE

CME FEEDER INDEX ON 06/15/2023 WAS 223.76 DOWN 3.92 FROM PREVIOUS DAY –
AUGUST 2023 FEEDER CATTLE FUTURES SETTLED ON 06/16/2023 AT $234.92

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WEEKLY FUTURES PRICE CHANGE

	06/09/2023	06/16/2023	CONTRACT HIGH CLOSE
06/06/2023			
AUGUST 2023 FEEDER CATTLE	239.00	234.92	243.25
SEPTEMBER 2023 FEEDER CATTLE	241.70	238.17	246.52
OCTOBER 2023 FEEDER CATTLE	243.50	240.30	248.82
NOVEMBER 2023 FEEDER CATTLE	244.57	241.30	249.95
JANUARY 2024 FEEDER CATTLE	243.92	240.70	249.20
MARCH 2024 FEEDER CATTLE	244.80	241.00	249.42
APRIL 2024 FEEDER CATTLE	247.45	243.77	251.95
MAY 2024 FEEDER CATTLE	248.90	245.22	253.17

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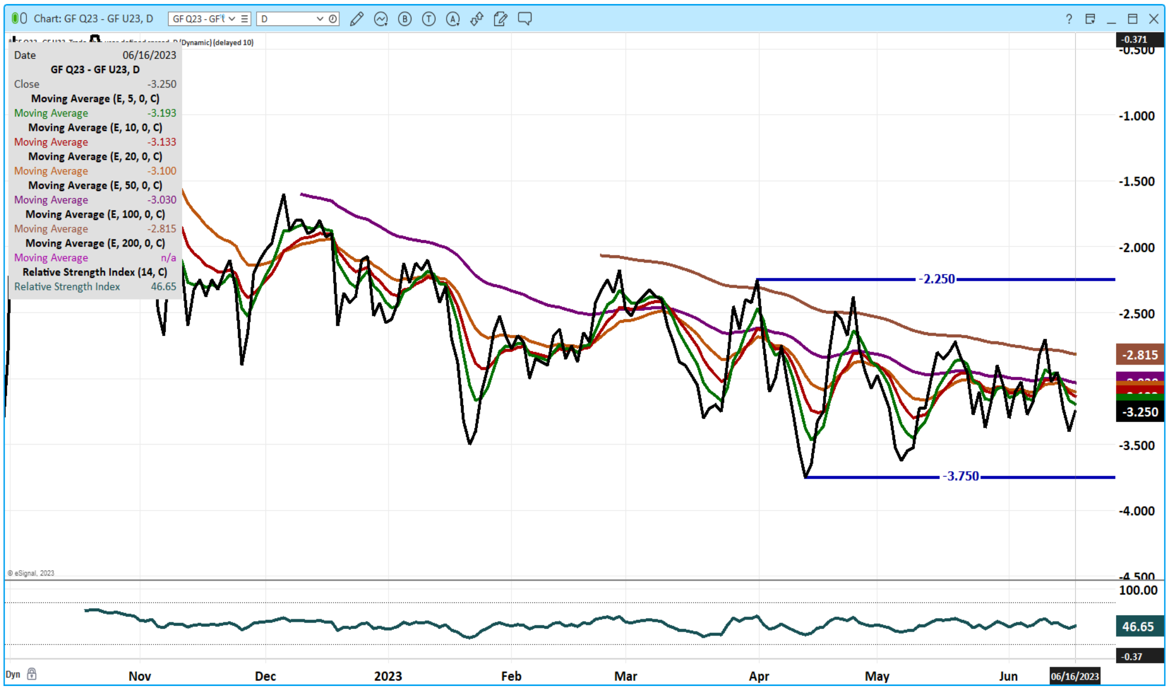
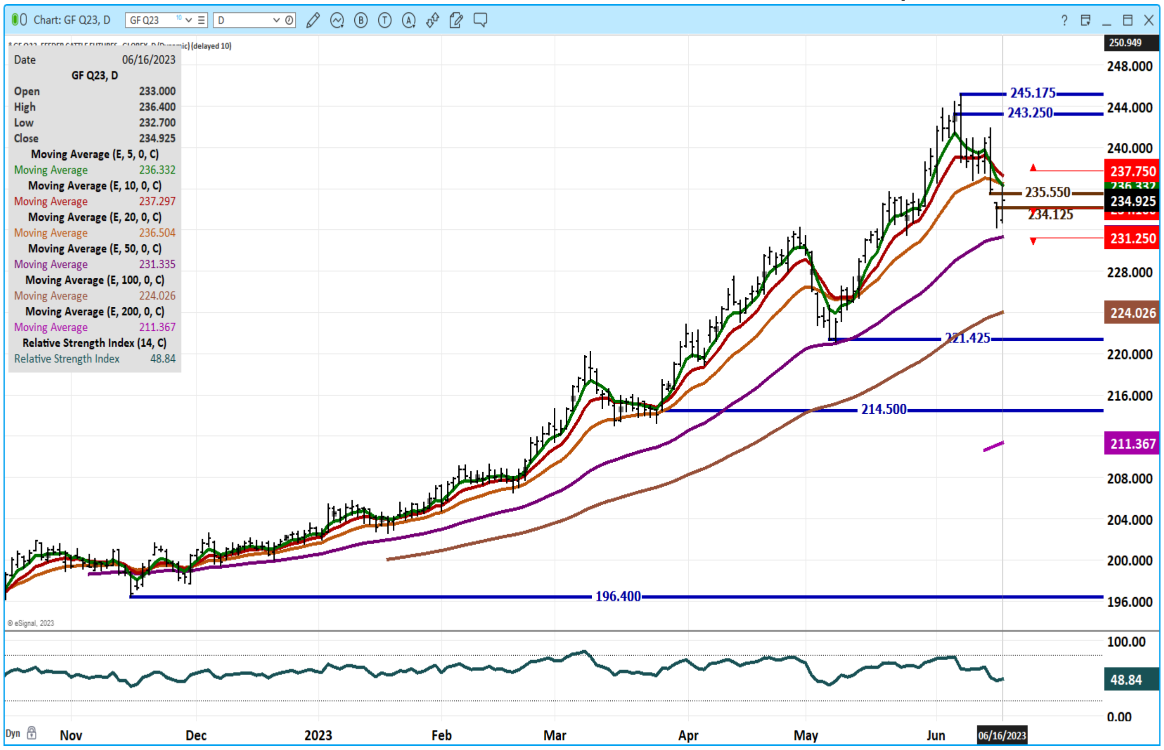
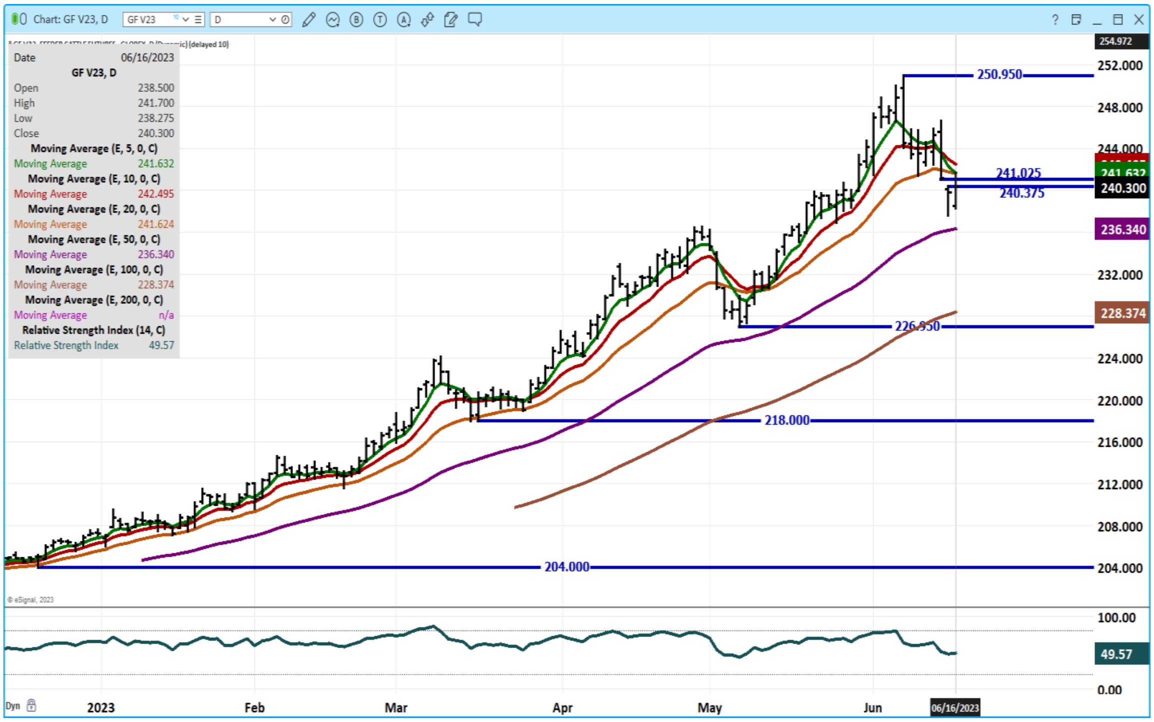
AUGUST 2023 FEEDER CATTLE/SEPTEMBER 2023 FEEDER CATTLE SPREAD – BEAR SPREAD BUT NORMAL SPREAD AT THIS TIME



AUGUST 2023 FEEDER CATTLE – RESISTANCE AT 237.50 SUPPORT AT 231/30



OCTOBER 2023 FEEDER CATTLE – RESISTANCE AT 242.50 SUPPORT AT 236.30



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HOGS

USDA ESTIMATED FEDERAL HOG SLAUGHTER

JUNE 19, 2023	450,000
WEEK AGO	457,000
YEAR AGO	449,000
JUNE 16, 2023	455,000
WEEK AGO	448,000
YEAR AGO	451,000
SATURDAY 06/17/2023	22,000 - A WEEK AGO 53,000 - YEAR AGO 44,000
WEEK TO DATE (EST)	2,330,000
SAME PERIOD LAST WEEK (EST)	2,358,000
SAME PERIOD LAST YEAR (ACT)	2,362,000
2023 YEAR TO DATE	58,437,000
2022 *YEAR TO DATE	57,782,000
YEAR TO DATE PERCENT CHANGE	PLUS 1.1% PREVIOUS WEEK 1.3%
	PLUS 655,000 YEAR TO DATE

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CME LEAN HOG INDEX ON 06/14/2023 WAS 86.87 UP 62 CENTS FROM PREVIOUS DAY
UP 3.07 FROM PREVIOUS WEEK
CME LEAN HOG INDEX ON 06/07/2023 WAS 83.80

CME PORK CUTOUT INDEX 06/15/2023 AT $88.38 DOWN 1 CENT FROM PREVIOUS DAY
UP 2.48 FROM PREVIOUS WEEK
CME PORK CUTOUT INDEX 06/08/2023 AT $85.90

THE CME LEAN HOG INDEX IS MINUS $1.51 TO THE CME PORK INDEX. EXTREMELY NARROW AND BAD FOR PACKERS.
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WEEKLY FUTURES PRICE CHANGE

	06/09/2023	06/16/2023
JUNE 2023 LEAN HOGS	87.87	JUNE 14, 2023 FUTURES SETTLEMENT $87.20
JULY 2023 LEAN HOGS	89.62	92.10
AUGUST 2023 LEAN HOGS	83.95	89.12
OCTOBER 2023 LEAN HOGS	75.37	79.22
DECEMBER 2023 LEAN HOGS	73.17	75.75
FEBRUARY 2023 LEAN HOGS	79.05	80.70
APRIL 2023 LEAN HOGS	84.35	85.80

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Time to Shake Things Up in the Meat Business

https://www.porkbusiness.com/news/hog-production/time-shake-things-meat-business-part-1

Pork is cheap compared to beef and going forward, as inflation remains high and food prices remain high , pork will compete with beef.
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Packers are not going to push hogs when the CME Lean Hog Index is only $1.51 below the CME Pork Index. Add in the costs from fixed and variable expense, and buying daily hogs to price of daily pork sales is a loser for a packer. Packers are going to kill hogs and sell pork for contract orders and back down on daily buy. Currently, hog numbers have fallen off and packers may need hogs to fill contracts from the daily buy and sell off cuts that are left over. Pork sales volume is light.

On 5 day average pork sales for the week, the carcass price gained 3.48 but gains were mostly because of butts ribs and bellies. Loins were up, but gain was lost as hams lost. Pork rallies when gains are on pork and hams. Butts, ribs and bellies usually don't sustain rallies.

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Pork net export sales were 26,700 MT for week ending June 8, 2023. Mexico was largest buyer taking 10,700 MT followed by Japan taking 4,700 MT with Australia at 1900 MT, China also took 1900 MT and Canada with 1600 MT. Mexico is largest buyer but has been taking less than first quarter of 2023 buying more pork from Brazil.

WEEK ENDING JUNE 01, 2023 NET EXPORT SALES WERE 25, 500 MT
WEEK ENDING MAY 25, 2023 NET EXPORT SALES WERE 22,600 MT
WEEK ENDING MAY 18, 2023 NET EXPORT SALES WERE 29,200 MT
WEEK ENDING MAY 11, 2023 NET EXPORT SALES WERE 31,900 MT
WEEK ENDING MAY 04, 2023 NET EXPORT SALES WERE 30,000 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 : 226.04
Loads TRIM/PROCESS PORK : 11.42

2:00 PM	LOADS	CARCASS	LOIN	BUTT	PIC	RIB	HAM	BELLY
06/19/2023	237.46	96.06	91.90	145.35	80.61	138.60	87.09	104.56
CHANGE:		3.73	1.31	1.39	4.76	5.93	3.29	8.04
FIVE DAY AVERAGE --		91.71	89.51	141.40	76.17	129.96	83.57	96.35

2:00 PM	LOADS	CARCASS	LOIN	BUTT	PIC	RIB	HAM	BELLY
06/16/2023	222.59	92.33	90.59	143.96	75.85	132.67	83.80	96.52
CHANGE:		1.44	1.92	2.61	0.94	5.95	-0.97	2.69
FIVE DAY AVERAGE --		90.13	88.58	139.16	74.94	126.93	82.75	92.78

PREVIOUS WEEK

2:00 PM	LOADS	CARCASS	LOIN	BUTT	PIC	RIB	HAM	BELLY
06/09/2023	295.66	88.39	88.84	133.10	74.10	122.82	85.52	84.78
CHANGE:		2.71	3.59	2.70	2.01	2.00	1.46	5.68
FIVE DAY AVERAGE --		86.65	85.99	129.88	71.01	120.43	84.03	85.48

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DAILY DIRECT AFTERNOON HOG REPORT - PLANT DELIVERED PURCHASE
JUNE 19, 2023
https://www.ams.usda.gov/sites/default/files/media/LMRSwineReportingHandout.pdf

National Negotiated Carcass Price
Head Count: 3,007
Lowest price: 82.00
Highest price: 96.00
Weighted Average 94.83
Change from Previous Day 9.66 HIGHER

Other Market Formula (Carcass)
Head Count: 30,781
Lowest Base Price: 81.51
Highest Base Price: 102.96
Weighted Average Price: 90.95

Swine/Pork Market Formula (Carcass)
Head Count 156,627
Lowest base price: 77.56
Highest Base Price: 98.55
Weighted Average Price 85.00

Other Purchase Arrangement (Carcass)
HEAD COUNT: 148,345
Lowest base price: 79.90
Highest base price: 112.04
Weighted Average Price: 89.83

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NATIONAL DAILY DIRECT HOG PRIOR DAY REPORT - SLAUGHTERED SWINE
HTTPS://WWW.AMS.USDA.GOV/MNREPORTS/AMS_2511.PDF
SLAUGHTER DATA FOR FRIDAY, JUNE 16, 2023 AND SATURDAY, JUNE 17, 2023

****PRODUCER SOLD:**
HEAD COUNT 229,342
AVERAGE LIVE WEIGHT 278.31
AVERAGE CARCASS WEIGHT 208.91

PACKER SOLD:
HEAD COUNT 34,620
AVERAGE LIVE WEIGHT 289.59
AVERAGE CARCASS WEIGHT 216.88

PACKER OWNED:
HEAD COUNT 177,737
AVERAGE LIVE WEIGHT 287.89
AVERAGE CARCASS WEIGHT 217.03

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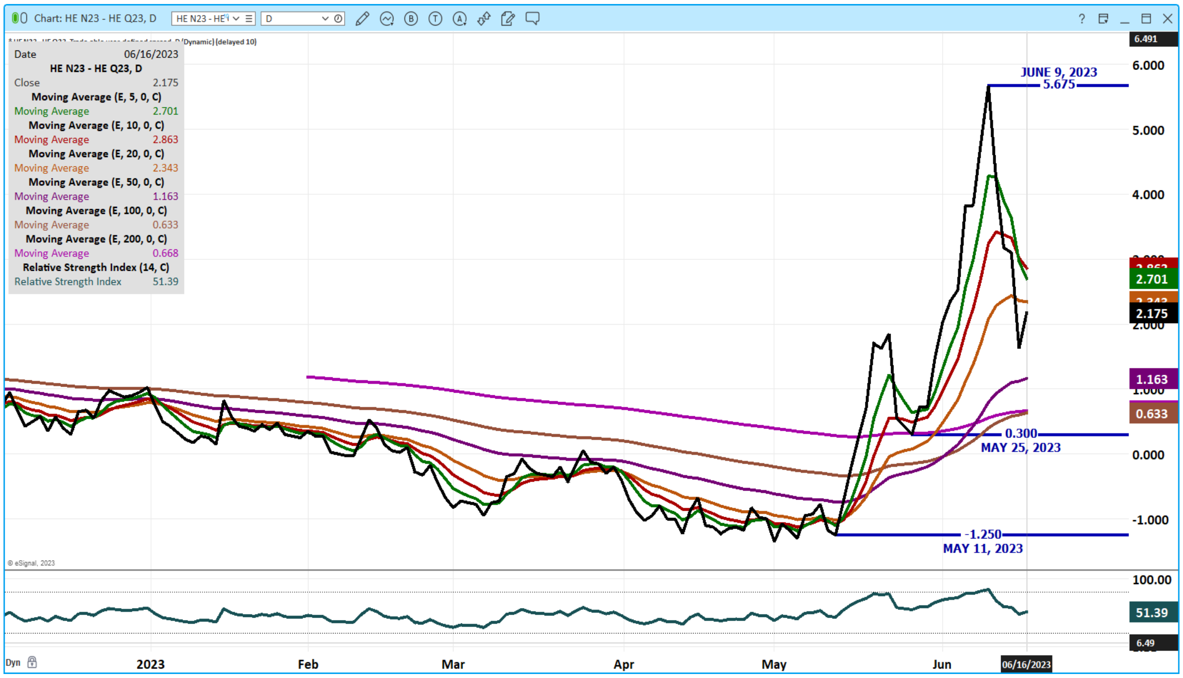
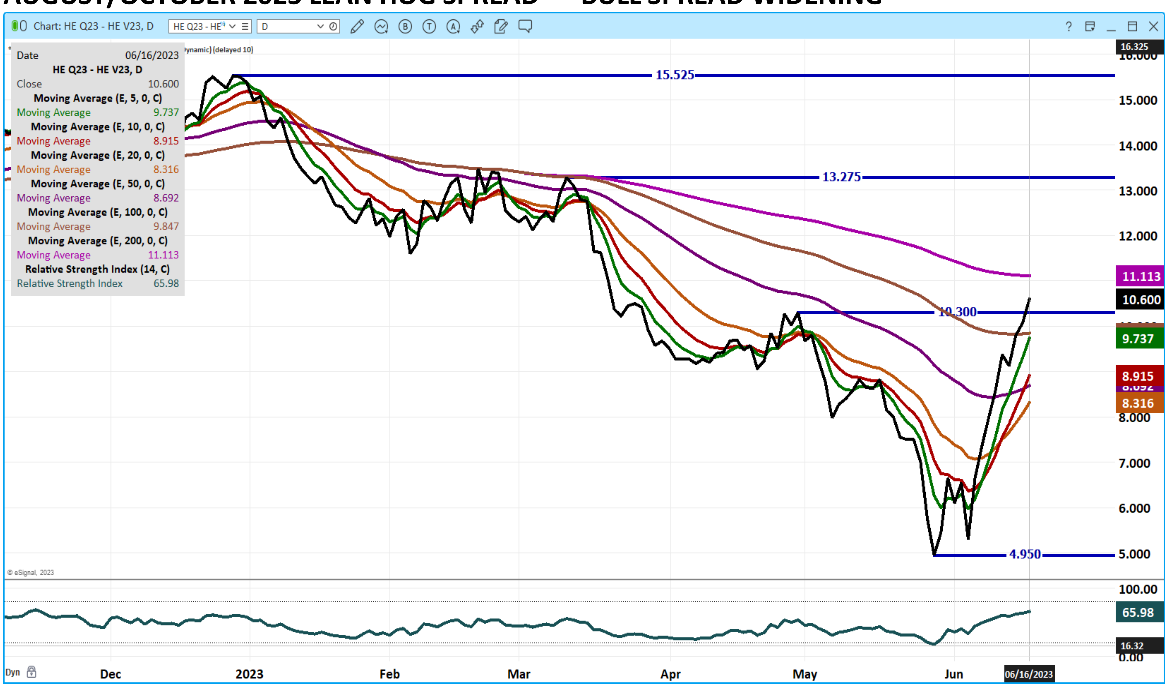
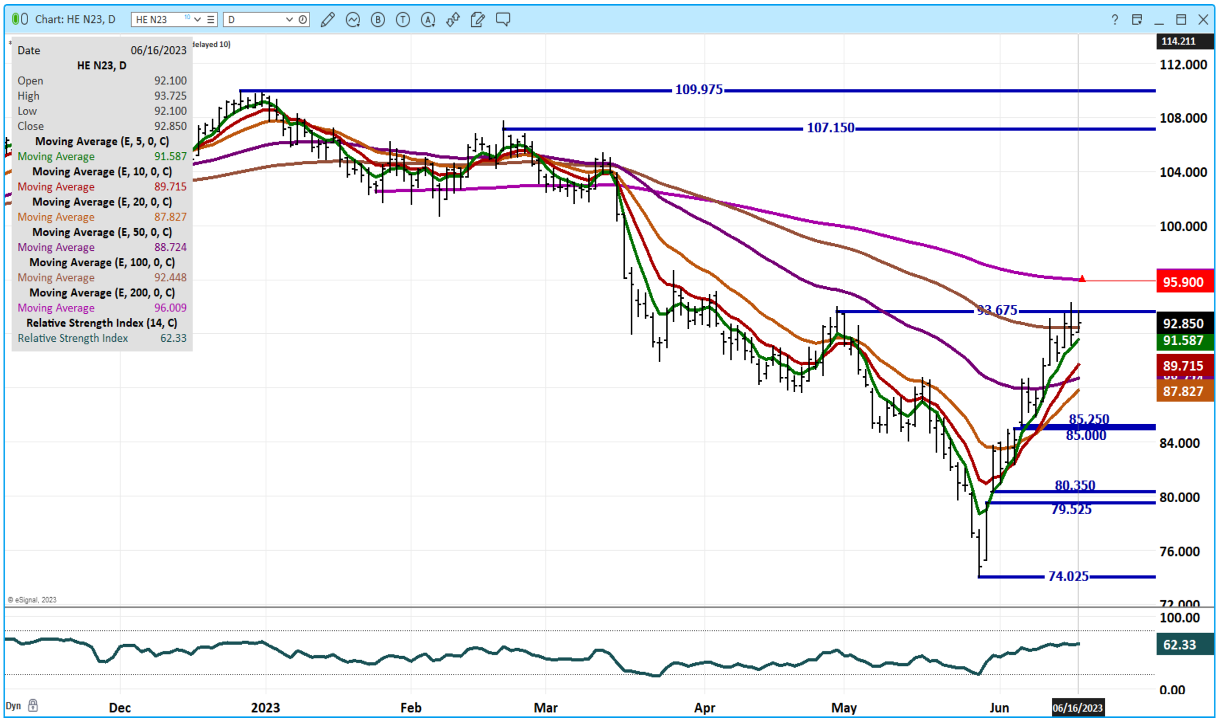
JULY/AUGUST LEAN HOG SPREAD – IT IS BULL SPREAD BUT HAS BEEN NARROWING. LESS IMPORTANT AS MOST LARGE TRADERS HAVE ROLLED FROM JULY



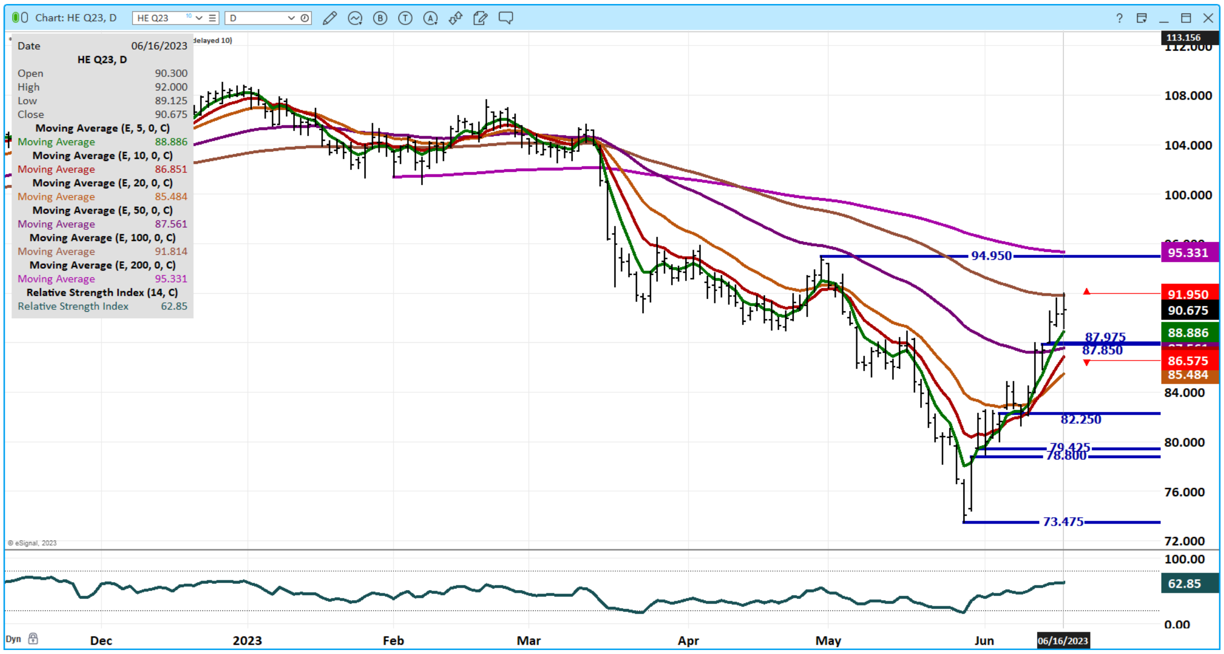
AUGUST/OCTOBER 2023 LEAN HOG SPREAD – BULL SPREAD WIDENING



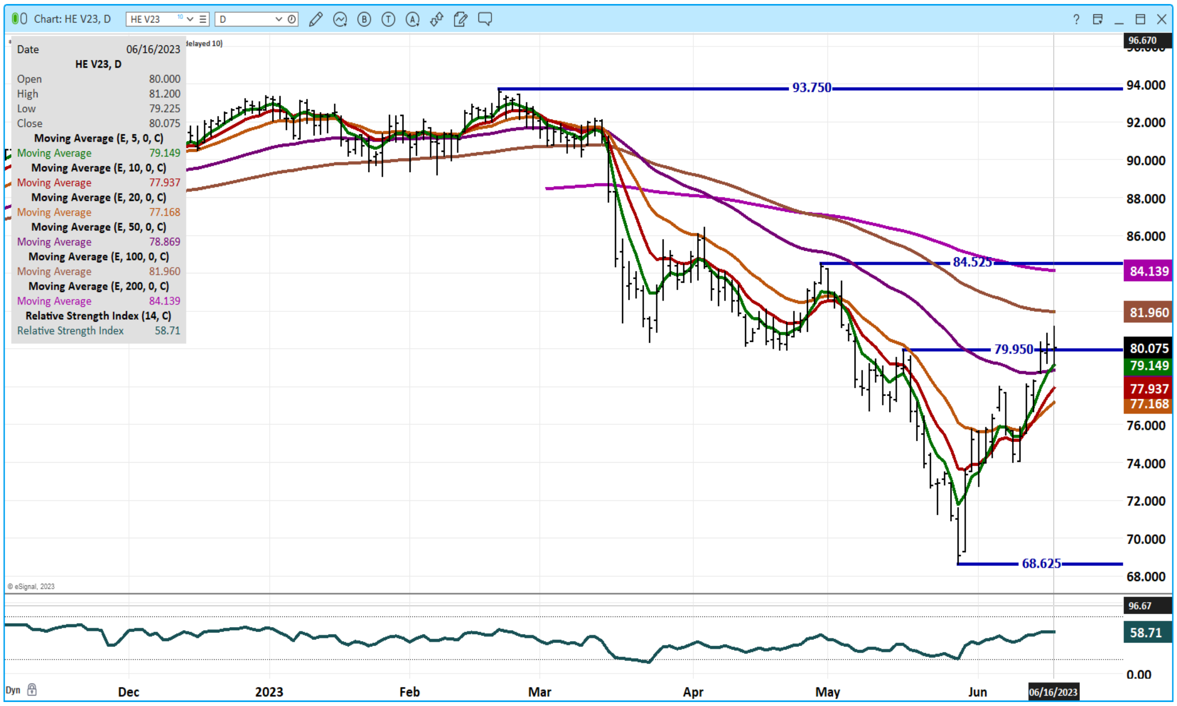
JULY 2023 LEAN HOGS - VOL AT 16256 SUPPORT AT 91.55 TO 87.82 RESISTANCE AT 93.67 TO 95.90



AUG 2023 LEAN HOGS – VOL AT 23593 SUPPORT AT 87.60 TO 85.45 RERSISTANCE AT 92.00 TO 95.35



OCT 2023 LEAN HOGS – VOLUME 7334 SUPPORT AT 78.85 TO 77.15 RESISTANCE AT 82.00 TO 84.15



ALL CHARTS FROM ESIGNAL INTERACTIVE, INC.

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