ADM Investor Services, Inc.

MONDAY MORNING JUNE 26, 2023 LIVESTOCK REPORT

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CATTLE ON FEED REPORT ON PAGE 3 AND 4
COLD STORAGE REPORT BELOW HOG SECTION

CATTLE

JUNE 23, 2023	120,000
WEEK AGO	118,000
YEAR AGO	122,000
SATURDAY 06/17/2023	26,000 A WEEK AGO 16,000, YEAR AGO 45,000
WEEK TO DATE (EST)	649,000
SAME PERIOD LAST WEEK (EST)	634,000
SAME PERIOD LAST YEAR (ACT)	665,000
2023 YEAR TO DATE	15,654,000
2022 YEAR TO DATE	16,241,000
YEAR TO DATE PERCENT CHANGE	MINUS 3.6% PREVIOUS WEEK MINUS 3.7% MINUS 587,000 YTD

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BOXED BEEF 2:00 AM JUNE 23, 2023	CHOICE	SELECT
CURRENT CUTOUT VALUES:	334.01	299.96
JUNE 16, 2023 CUTOUT VALUES:	343.09	310.95
CHANGE FROM PRIOR DAY:	(0.46)	(3.84)
CHOICE/SELECT SPREAD:	34.05	
TOTAL LOAD COUNT (CUTS, TRIMMINGS, GRINDS)	78	
5 DAY SIMPLE AVERAGE:	337.77	307.54

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CME BOXED BEEF INDEX ON 06/22/2023 WAS 329.49 DOWN 1.66 FROM PREVIOUS DAY

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2:00 PM JUNE 23, 2023

PRIMAL RIB	519.35	436.69
PRIMAL CHUCK	265.10	254.39
PRIMAL ROUND	243.78	241.23
PRIMAL LOIN	480.75	390.85
PRIMAL BRISKET	272.49	252.53
PRIMAL SHORT PLATE	259.71	259.71
PRIMAL FLANK	230.80	207.67

2:00 PM JUNE 22, 2023

PRIMAL RIB	513.25	434.84
PRIMAL CHUCK	262.39	255.78
PRIMAL ROUND	244.25	248.65
PRIMAL LOIN	488.72	399.77
PRIMAL BRISKET	272.87	250.01
PRIMAL SHORT PLATE	261.92	261.92
PRIMAL FLANK	230.36	209.09

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LOAD COUNT AND CUTOUT VALUE SUMMARY

Date	Choice	Select	Trim	Grinds	Total	600-900	600-900
06/22	53	28	8	9	98	334.47	303.80
06/21	80	25	16	18	139	334.25	304.25
06/20	78	25	11	8	121	336.91	307.93
06/19	64	18	4	15	101	340.14	310.76
06/16	40	13	9	13	74	343.09	310.95 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	34.95 loads	1,398,179 pounds
Select Cuts	26.53 loads	1,061,399 pounds
Trimmings	0.00 loads	0 pounds
Ground Beef	17.00 loads	680,159 pounds

JUNE 2023 LIVE CATTLE DELIVERIES
DELIVERY NOTICE SERVED – JUNE 2023 - LIVE CATTLE
DATE O6/23/23 SETTLEMENT: $177.50
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
HOGS AND PIGS REPORT - THURSDAY JUNE 29, 2023 - 2:00PM CENTRAL TIME
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USDA CATTLE ON FEED REPORT
JUNE 23, 2023

	Range	Average	Actual	Million Head Est	Million Head Actual
On feed June 1	96-96.9	96.6	97	11.438	11.617
Placements in May	100.1-103.6	101.7	105	1.896	1.955
Marketings in May	101-102	101.6	102	1.945	1.946

United States Cattle on Feed Down 3 Percent

Cattle and calves on feed for the slaughter market in the United States for feedlots with capacity of 1,000 or more head totaled 11.6 million head on June 1, 2023. The inventory was 3 percent below June 1, 2022.

Placements in feedlots during May totaled 1.96 million head, 5 percent above 2022. Net placements were 1.88 million head. During May, placements of cattle and calves weighing less than 600 pounds were 380,000 head, 600-699 pounds were 295,000 head, 700-799 pounds were 480,000 head, 800-899 pounds were 505,000 head, 900-999 pounds were 215,000 head, and 1,000 pounds and greater were 80,000 head.

Marketings of fed cattle during May totaled 1.95 million head, 2 percent above 2022.

Other disappearance totaled 74,000 head during May, 3 percent below 2022.
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Cattle on feed numbers about half percent above trade estimates. The placement number is the surprise and is bearish and the reason traders have been bear spreading. Marketing at 2 percent is good to see and why cattle weights have been light with feedlots taking advantage of the higher cash prices to lower futures prices. Compare the numbers placed in April 2023 at 1,758,000 head to May at 1,955,000 head and slaughter will increase more into mid 3rd quarter and 4th quarter 2023 into 2024.

<u>The report confirms the high prices on Live Cattle futures were made on June 7th.</u> Boxed beef has begun to move lower and going into dog days of summer with more cattle, beef prices should move lower with traders continuing to bear spread. Prices won't be bad; prices are just coming off the extreme highs. Prices over time will work lower. Spreads will be important to watch as spreads that are now bear spread could widen.

As June 2023 Live Cattle expire next week, and beef needs likely remain for July 4th, don't see much change for June Live Cattle especially with futures under cash as it is now. For August into 2024 look for more pressure on October 2023 into 2024. August 2023 is at a fairly sizable discount already and could start off $2.00 lower with October on out down $3.00 or more

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****WEEKLY FUTURES PRICE CHANGE**

	06/16/2023	06/23/2023
JUNE 2023 LIVE CATTLE	178.35	177.50
AUGUST 2023 LIVE CATTLE	171.72	170.77
OCTOBER 2023 LIVE CATTLE	175.35	174.50
DECEMBER 2023 LIVE CATTLE	179.10	178.70
FEBRUARY 2023 LIVE CATTLE	182.80	182.80
APRIL 2024 LIVE CATTLE	185.30	185.22

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It will be interesting what happens in July and August. Throughout June, especially for producers in the Midwest with cash prices well above futures, producers took advantage of the difference and pushed cattle up to take advantage of the low futures and higher cash, a positive and extra wide basis. Going forward, August futures are even lower than June futures. Will feedlots continue to move cattle at lighter weights with cash above futures? Grade is down because of extreme high heat in the Southwest but it is also down because producers are moving cattle out of feedlots as soon as a packer will take them and packers have needed the cattle. Feedlots have not been holding cattle to add weight. However, if cash breaks hard and falls below futures, then producers will hold cattle and both grade and weights will increase which might cause a bigger break as more beef comes to the market especially if placements are larger.

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Texas remains very hot with heat indexes through the 4th of July over 110 plus degrees. Over the weekend temperatures will be over 95 degrees with 100 plus degree heat indexes into Oklahoma and stay hot through June and into July 5th.

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On the opposite side of the equator because of weather changes about 3000 cattle died. In Mato Grosso do Sul, Brazil cattle died due to hypothermia because weather rapidly changed with colder temperatures, rainfall and winds.

https://www.reuters.com/world/americas/brazil-cattle-die-cold-temperatures-batters-large-beef-state-2023-06-21/

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Packers had a light buy of cash cattle so far this week. In the Midwest cattle moved at 180.00 - 186.00 with a few delivered cattle 186.50 and 187.50. .The average FOB steer average price was 184.29. In Kansas and Texas cattle sold Thursday at 180.00

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BEEF NET EXPORTS FOR WEEK ENDING JUNE 15, 2023 WERE 13,300 MT, China was the biggest buyer taking 4700 MT the same amount they took a week ago. Japan with 2900 MT was second buyer and South Korea at 1900 MT with Canada taking 1200 MT

Week Ending June 8, 2023 12,800 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

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NATIONAL WEEKLY FED CATTLE COMPREHENSIVE REPORT JUNE 20, 2023

As of June 20, 2023 dressed steer and heifer carcasses averaged 853.3 pounds down 1.3 pound from previous week at 854.6 pounds and 1.4 pounds over a year ago. The grading percent as of 6/20/23 was 80.9 % compared to previous week at 81.4%. A year ago the grade percent was 80.3%. (A year ago there was extreme heat at this time and again this year affecting grade.)
https://www.ams.usda.gov/mnreports/ams_2700.pdf

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

	WEIGHT	PRICE	HEAD
LIVE STEER:	1416	$176.97	43,595
LIVE HEIFER:	1274	$182.16	18,740
DRESSED STEER	917	$290.85	7,336
DRESSED HEIFER:	823	$289.39	2,173

PREVIOUS WEEK
***NATIONAL DAILY DIRECT CATTLE 06/15/23
5 DAY ACCUMULATED WEIGHTED AVG

	WEIGHT	PRICE	HEAD
LIVE STEER:	1399	$186.69	22,313
LIVE HEIFER:	1285	$186.41	7,545
DRESSED STEER	916	$298.21	3,965
DRESSED HEIFER:	844	$297.59	1,088

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USDA POSTED SUMMARY CATTLE PRICES ON 06/22/2023 STEER AND HEIFERS

IA/MN – CASH FOB – 179.00 - 185.00 ON 225 STEERS AND HEIFERS WEIGHING 1,438.9 POUNDS AVE PRICE 182.81
STEERS: LIVE DELIVERED - 186.00 ON 130 HEAD OF MIXED LOADS
DRESSED DELIVERED – NO REPORTABLE TRADE ON FRIDAY

NE – CASH FOB – 182.00 ON 342 HEAD STEERS AND HEIFERS
DRESSED – NO REPORTABLE TRADE ON FRIDAY

KS – CASH – 180.00 ON 220 HEAD WEIGHING 1330 POUNDS
DRESSED - NO REPORTABLE TRADE ON THURSDAY OR FRIDAY

TX/OK/NM CASH – 174.00 ON 166 STEERS AND 65 HEIFERS STEERS WEIGHED 1273.5 HEIFERS WEIGHED 1225
DRESSED – NO REPORTABLE TRADE

CO - **NOT REPORTED DUE TO CONFIDENTIALITY**

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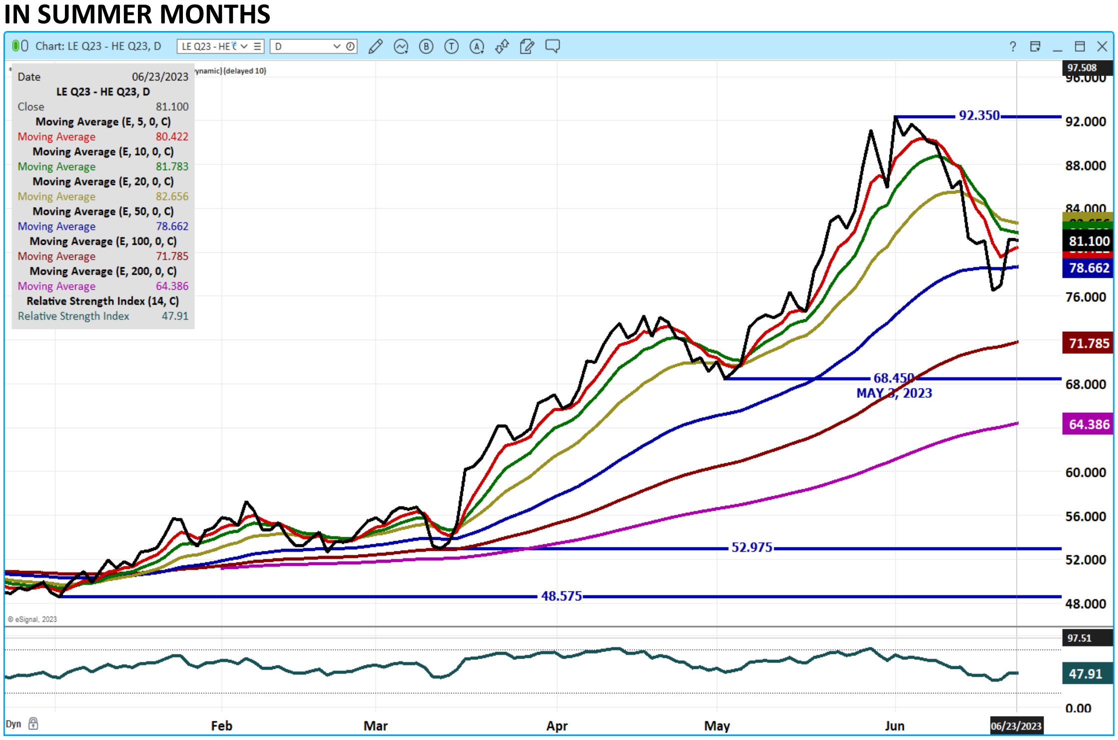
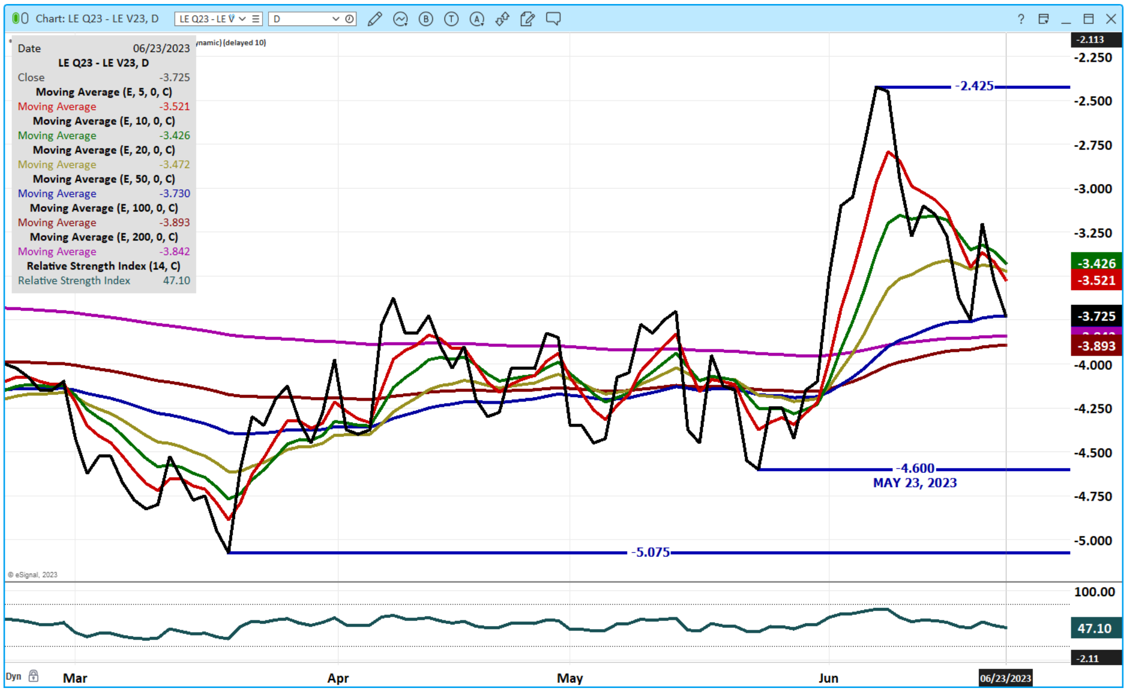
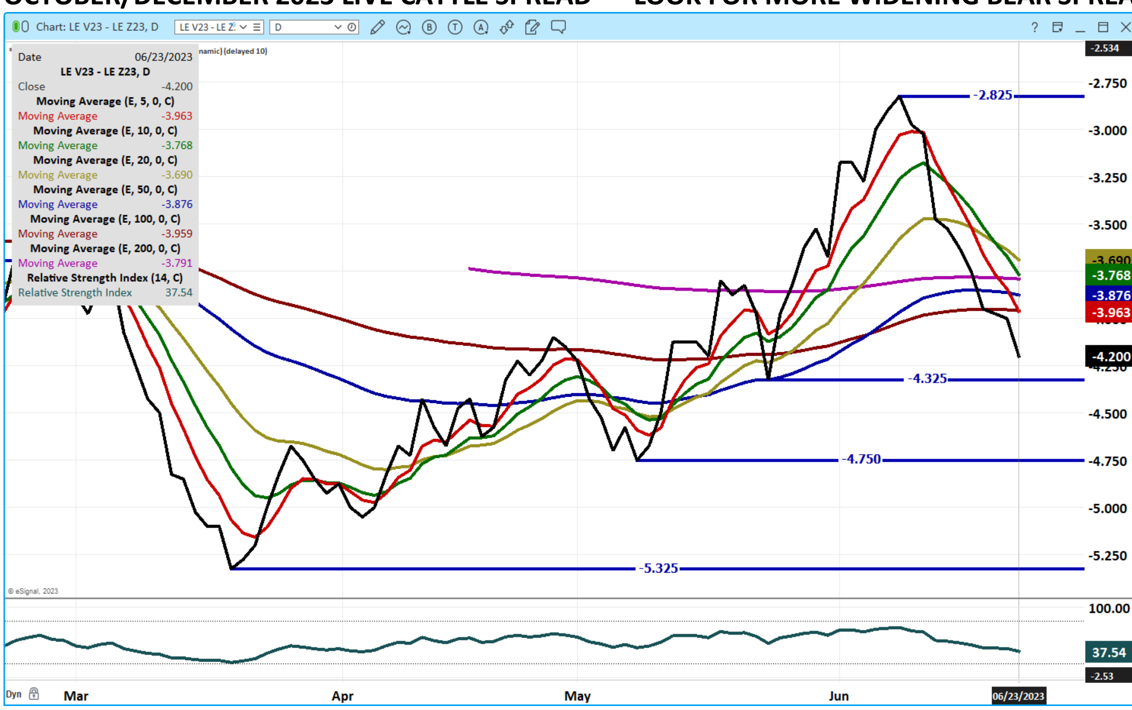
AUGUST LIVE CATTLE/AUGUST LEAN HOG SPREAD – SPREAD REMAINS WIDE CATTLE LOSE TO HOGS IN SUMMER MONTHS



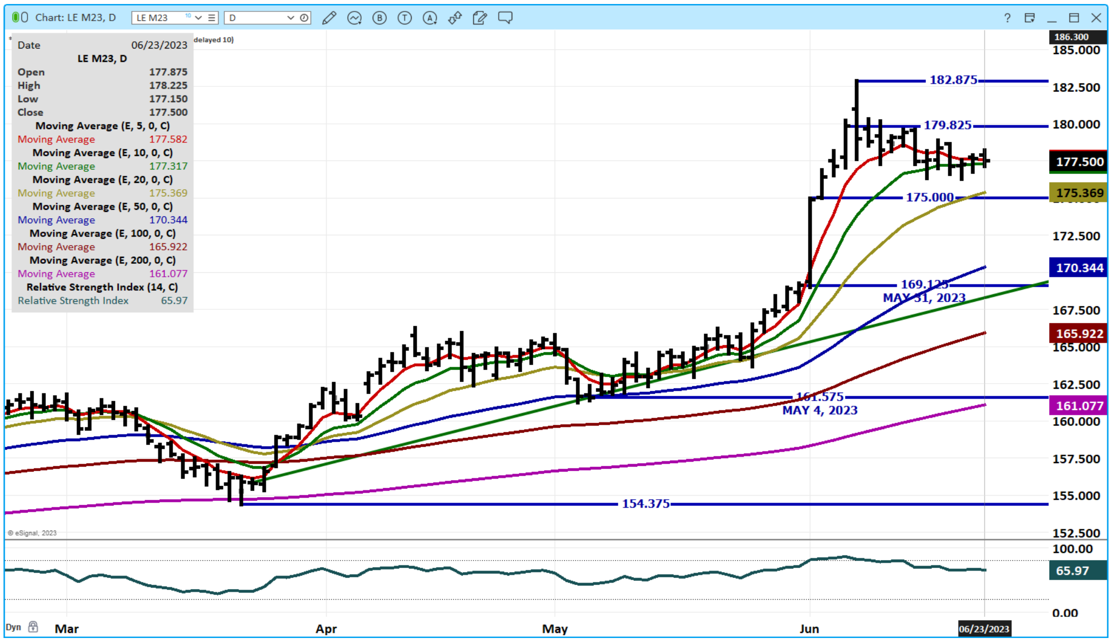
AUGUST LIVE CATTLE/OCTOBER LIVE CATTLE SPREAD – BEAR SPREAD LIKELY TO WIDEN AFTER COF REPORT



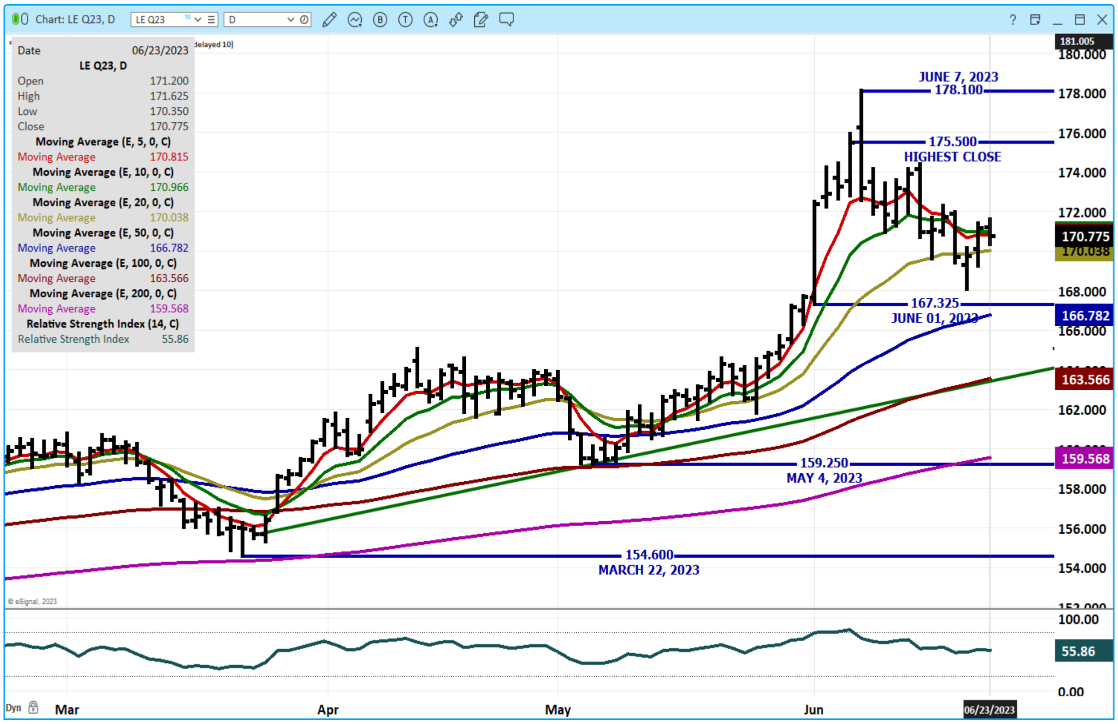
OCTOBER/DECEMBER 2023 LIVE CATTLE SPREAD – LOOK FOR MORE WIDENING BEAR SPREADING



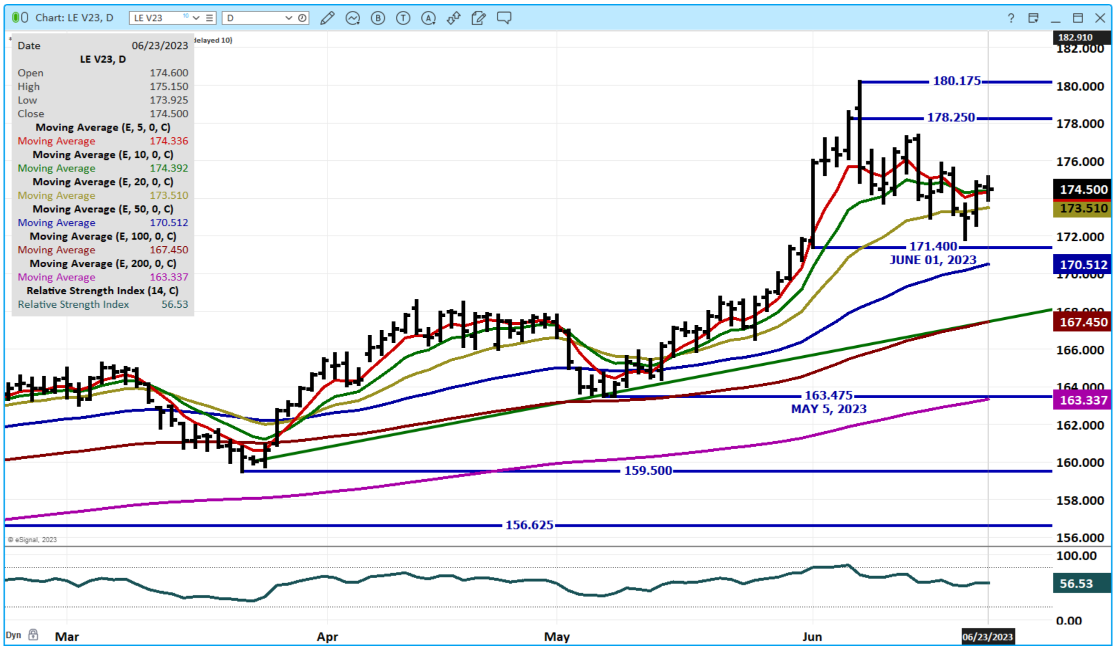
JUNE 2023 LIVE CATTLE – OPEN INTEREST 2321 VOLUME 966



AUGUST 2023 LIVE CATTLE – NEEDS TO HOLD SUPPORT AT 170.00 NEXT SUPPORT AT 166.75 RESISTANCE AT 172.30 TO 175.50



OCTOBER 2023 LIVE CATTLE – SUPPORT AT 173.50 TO 170.50 RESISTANCE AT 175.85 TO 178.25



FEEDER CATTLE

CME FEEDER INDEX ON 06/22/2023 WAS 221.00 DOWN 73 CENTS FROM PREVIOUS DAY –
AUGUST 2023 FEEDER CATTLE FUTURES SETTLED ON 06/23/2023 AT $233.95

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WEEKLY FUTURES PRICE CHANGE

	06/16/2023	06/23/2023
AUGUST 2023 FEEDER CATTLE	234.92	233.95
SEPTEMBER 2023 FEEDER CATTLE	238.17	237.70
OCTOBER 2023 FEEDER CATTLE	240.30	240.15
NOVEMBER 2023 FEEDER CATTLE	241.30	241.17
JANUARY 2024 FEEDER CATTLE	240.70	240.87
MARCH 2024 FEEDER CATTLE	241.00	241.20
APRIL 2024 FEEDER CATTLE	243.77	243.82
MAY 2024 FEEDER CATTLE	245.22	246.12

MAY 2024 FEEDER CATTLE HIGHEST FEEDER CATTLE FUTURES CLOSE $253.17 JUNE 6, 2023
MAY 2024 FEEDER CATTLE HIGHEST FEEDER CATTLE FUTURES PRICE $245.60 JUNE 7, 2023

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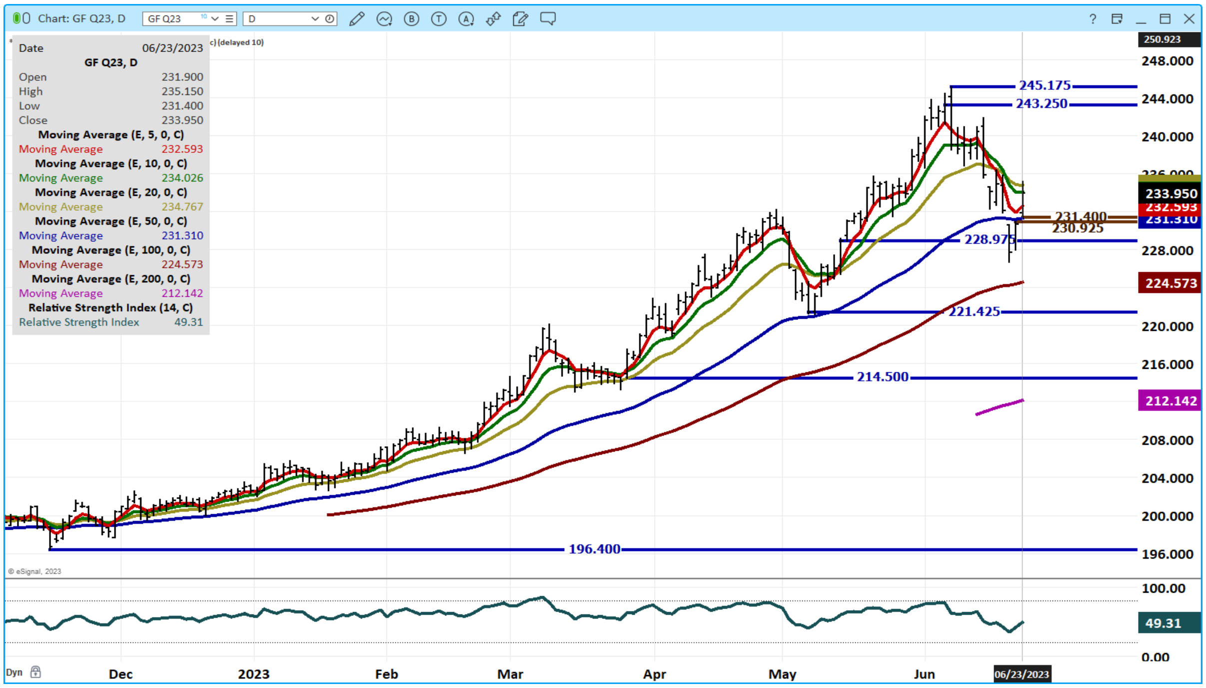
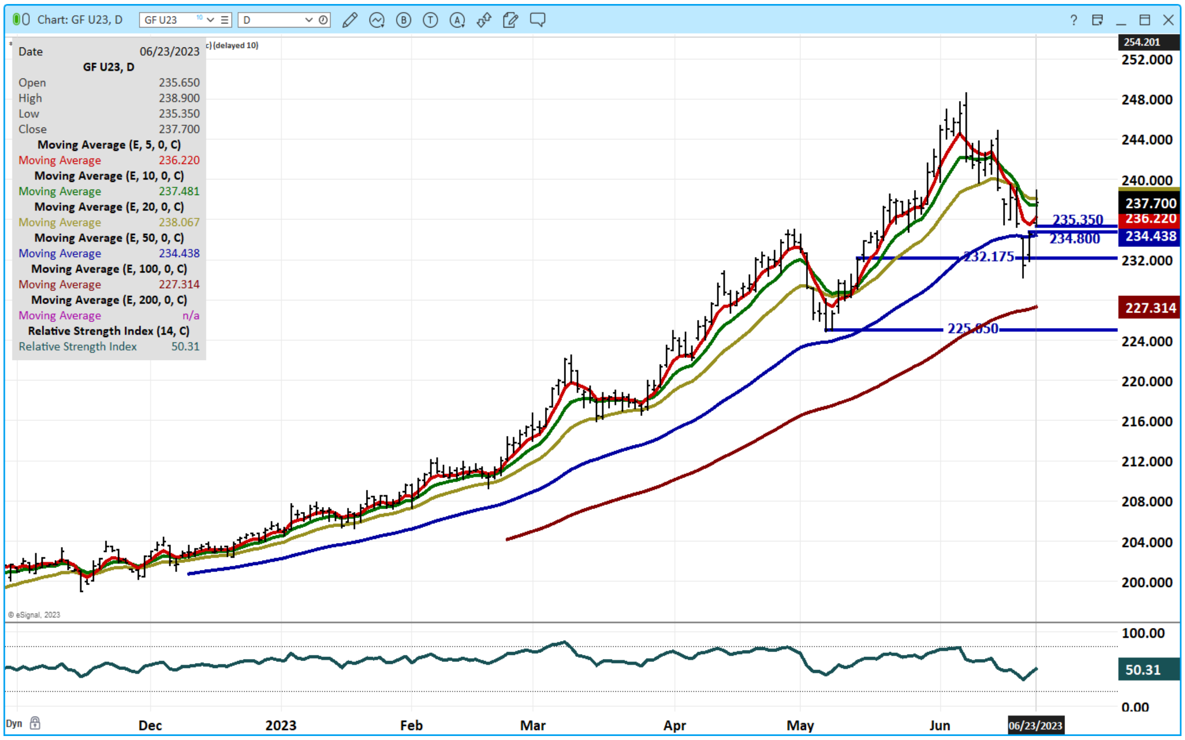
CATTLE ON FEED REPORT BEARISH FOR FEEDER CATTLE. TRADERS SHOULD CONTINUE TO BEAR SPREAD

AUGUST 2023 FEEDER CATTLE/SEPTEMBER 2023 FEEDER CATTLE SPREAD – SPREAD LIKELY TO EXPAND THIS WEEK

AUGUST 2023 FEEDER CATTLE – NEEDS TO REMAIN ABOVE 230.87 TO 224.57 RESISTANCE AT 234.50



SEPTEMBER 2023 FEEDER CATTLE – RESISTANCE 239.00 SUPPORT AT 234.37



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HOGS

USDA ESTIMATED FEDERAL HOG SLAUGHTER

JUNE 23, 2023	**452,000**
WEEK AGO	**455,000**
YEAR AGO	**436,000**
SATURDAY 06/24/2023	**79,000 - A WEEK AGO 22,000 - YEAR AGO 21,000**
WEEK TO DATE (EST)	**2,372,000**
SAME PERIOD LAST WEEK (EST)	**2,330,000**
SAME PERIOD LAST YEAR (ACT)	**2,312,000**
2023 YEAR TO DATE	**60,805,000**
2022 *YEAR TO DATE	**60,094,000**
YEAR TO DATE PERCENT CHANGE	**PLUS 1.21% PREVIOUS WEEK 1.1%**
	PLUS 711,000 YEAR TO DATE

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CME LEAN HOG INDEX ON 06/21/2023 WAS 90.47 UP 85 CENTS FROM PREVIOUS DAY

CME PORK CUTOUT INDEX 06/22/2023 AT $95.20 UP 1.34 FROM PREVIOUS DAY

THE CME LEAN HOG INDEX IS MINUS $4.73 TO THE CME PORK INDEX.
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WEEKLY FUTURES PRICE CHANGE

	06/16/2023	06/23/2023
JULY 2023 LEAN HOGS	92.10	91.27
AUGUST 2023 LEAN HOGS	89.12	89.67
OCTOBER 2023 LEAN HOGS	79.22	79.97
DECEMBER 2023 LEAN HOGS	75.75	76.67
FEBRUARY 2023 LEAN HOGS	80.70	81.77
APRIL 2023 LEAN HOGS	85.80	86.97

JUNE 14, 2023 - JUNE LEAN HOGS FUTURES SETTLEMENT WAS $87.20
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Cash pork prices have been steadily climbing higher. On Friday the 5 day carcass average was 96.12 up from the Friday June 16, 2023 BY $5.99. When compared to beef, pork has more room to move up, possibly. If retailers raise pork and lower beef and with the rise in pork prices, consumers could begin to back off.. But, h High beef prices are one catalyst behind consumers buying pork.

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For the weekending June 15, 2023 pork net export sales were 28,700 MT. Mexico was the largest buyer taking 12,100 MT, Canada was back with a good purchase of 5000 MT and South Korea took 3100 MT as did Japan. China took 1600 MT.

WEEK ENDING JUNE 08, 2023 NET EXPORT SALES WERE 26,700 MT
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

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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 : 173.51
Loads TRIM/PROCESS PORK : 23.59

2:00 PM	LOADS	CARCASS	LOIN	BUTT	PIC	RIB	HAM	BELLY
06/23/2023	197.10	97.36	95.49	158.10	81.72	145.93	80.92	105.87
CHANGE:		0.86	4.37	6.79	2.17	-10.66	-4.29	2.00
FIVE DAY AVERAGE --		96.12	92.42	149.90	80.16	144.83	85.56	102.41

PREVIOUS WEEK

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

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DAILY DIRECT AFTERNOON HOG REPORT - PLANT DELIVERED PURCHASE
JUNE 23, 2023
https://www.ams.usda.gov/sites/default/files/media/LMRSwineReportingHandout.pdf

National Negotiated Carcass Price
Head Count: 2,611
Lowest price: 75.00
Highest price: 96.00
Weighted Average 93.04
Change from Previous Day -1.75 lower

Other Market Formula (Carcass)
Head Count: 22,453
Lowest Base Price: 84.81
Highest Base Price: 107.54
Weighted Average Price: 91.66

Swine/Pork Market Formula (Carcass)
Head Count 136,850
Lowest base price: 81.06
Highest Base Price: 100.93
Weighted Average Price 90.26

Other Purchase Arrangement (Carcass)
HEAD COUNT: 56,024
Lowest base price: 83.48
Highest base price: 112.43
Weighted Average Price: 92.11

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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 JUNE 21, 2023

****PRODUCER SOLD:**
HEAD COUNT 215,176
AVERAGE LIVE WEIGHT 276.73
AVERAGE CARCASS WEIGHT 207.31

PACKER SOLD:
HEAD COUNT 28,024
AVERAGE LIVE WEIGHT 288.54
AVERAGE CARCASS WEIGHT 213.53

PACKER OWNED:
HEAD COUNT 166,119
AVERAGE LIVE WEIGHT 280.62
AVERAGE CARCASS WEIGHT 212.89

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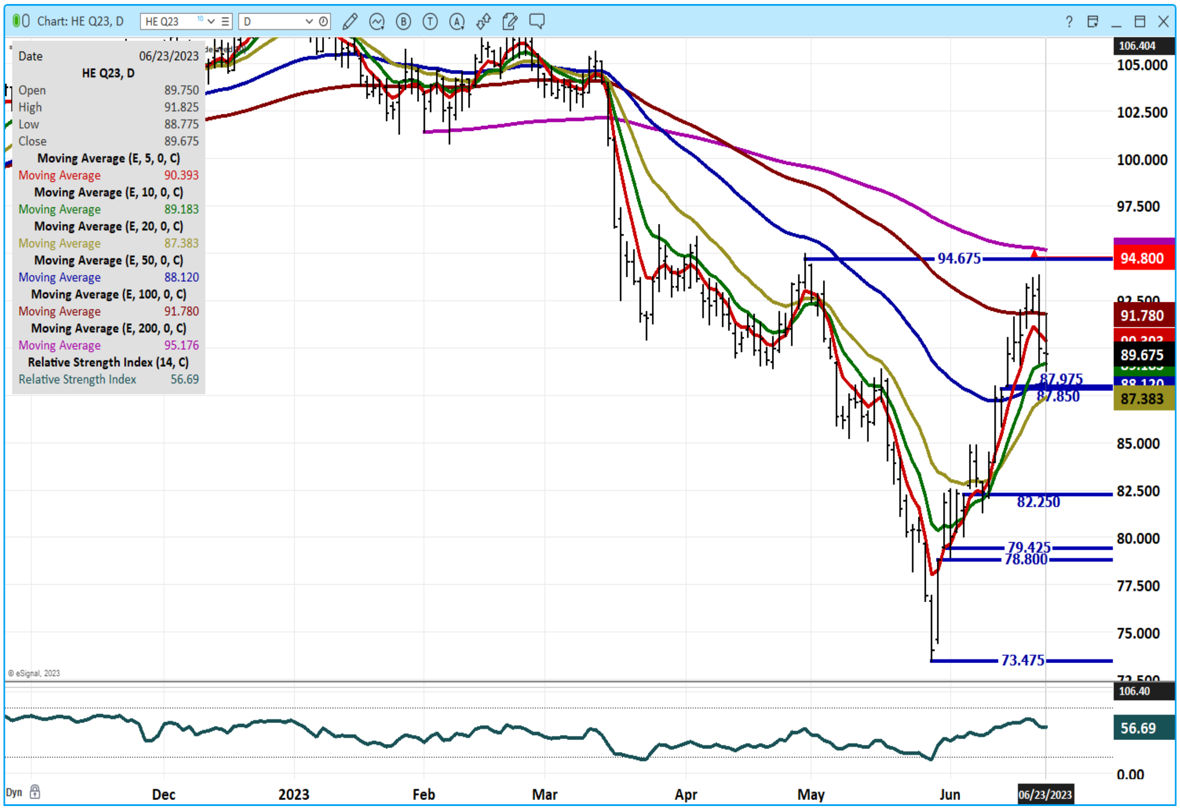
AUGUST/OCTOBER 2023 LEAN HOG SPREAD – BULL SPREAD NEED TO WATCH THIS WEEK GOING INTO HOGS AND PIGS REPORT

JULY 2023 LEAN HOGS - RESISTANCE AT 93.60 SUPPORT AT 89.37

AUGUST 2023 LEAN HOGS – RESISTANCE AT 91.80 TO 95.20 SUPPORT AT 87.85

OCTOBER 2023 LEAN HOGS – GAP AND 20 DAY AVERAGE SUPPORT AT 78.25 RESISTANCE AT 81.55



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USDA COLD STORAGE REPORT
JUNE 23, 2023

Total red meat supplies in freezers were down 7 percent from the previous month and down 11 percent from last year

Total pounds of beef in freezers were down 6 percent from the previous month and down 20 percent from last year.

Frozen pork supplies were down 7 percent from the previous month and down 4 percent from last year.

Stocks of pork bellies were up 2 percent from last month and up 46 percent from last year.
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When year to date US federal cattle slaughter is down over 3.5 percent it would be a big surprise if stocks were up. Pork movement has been good in the United States and exports have been good. Cold storage of pork should be down. Consumers have been shying away from expensive bacon, bellies, and export buyers have been buying fewer bellies.

There was a new high record for Chicken breasts and breast meat in storage as of May 2023. If it still is in storage and is coming out in June and into July, it may have a negative affect to beef and "the other white meat" such as pork loins for consumers wanting to lower food high costs.

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ALL CHARTS FROM ESIGNAL INTERACTIVE, INC.

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