ADM Investor Services, Inc.

TUESDAY MORNING JULY 18 2023 LIVESTOCK REPORT

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CATTLE

JULY 17, 2023	**126,000**
WEEK AGO	**122,000**
YEAR AGO	**124,000**

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2:00 PM JULY 17, 2023			
BOXED BEEF	**CHOICE**		**SELECT**
CURRENT CUTOUT VALUES:	**306.78**		**275.74**
CHANGE FROM PRIOR DAY:	**0.84**		**(0.87)**
CHOICE/SELECT SPREAD:		**31.04**	
TOTAL LOAD COUNT (CUTS, TRIMMINGS, GRINDS)		**105**	
5 DAY SIMPLE AVERAGE:	**309.95**		**280.09**

CME BOXED BEEF INDEX ON 07/14/2023 WAS 300.19DOWN 2.39 FROM PREVIOUS DAY

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2:00 PM JULY 17, 2023		
PRIMAL RIB	**457.95**	**368.90**
PRIMAL CHUCK	**247.01**	**243.23**
PRIMAL ROUND	**231.87**	**229.40**
PRIMAL LOIN	**431.67**	**354.38**
PRIMAL BRISKET	**264.82**	**231.74**
PRIMAL SHORT PLATE	**241.58**	**241.58**
PRIMAL FLANK	**227.44**	**193.30**

2:00 PM JULY 14, 2023

PRIMAL RIB	**454.49**	**363.16**
PRIMAL CHUCK	**246.89**	**243.87**
PRIMAL ROUND	**229.85**	**231.06**
PRIMAL LOIN	**432.57**	**359.58**
PRIMAL BRISKET	**261.00**	**231.04**
PRIMAL SHORT PLATE	**241.51**	**241.51**
PRIMAL FLANK	**228.69**	**190.36**

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LOAD COUNT AND CUTOUT VALUE SUMMARY

Date	Choice	Select	Trim	Grinds	Total	600-900	600-900
07/14	65	30	20	21	136 FRIDAY	305.94	276.61 FRIDAY
07/13	83	35	0	31	149	306.91	280.18
07/12	105	34	11	15	165	310.98	281.10
07/11	71	52	22	15	161	312.12	280.24
07/10	54	30	9	14	106	313.79	282.33
07/07	78	20	18	18	134 FRIDAY	316.90	285.63 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	**44.60 loads**	**1,784,034 pounds**
Select Cuts	**25.58 loads**	**1,023,073 pounds**
Trimmings	**22.64 loads**	**905,530 pounds**
Ground Beef	**11.89 loads**	**475,694 pounds**

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USDA REPORTS FOR JULY 2023
CATTLE ON FEED REPORT FRIDAY JULY 21, 2023
COLD STORAGE REPORT TUEDAY JULY 25, 2023
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Choice Boxed Beef was .84 cents higher on Monday. 38% of the total cuts moved were Select cuts. However, packers cutting and slowing slaughter may be the way needed so they can keep beef prices from going lower.
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Live Cattle trade volume slowed down Monday. Large funds now are most active in October.

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Last week, packers pushed slaughter Monday through Thursday but backed off Friday and Saturday killing handful of cattle both days. Packers had full day kills early in the week and then slowed down Friday and Saturday. Packers do not pay overtime on a daily kill hours but pay overtime when and if hours pass maximum hours per the total week.

At least with lower slaughter, weights are going up. Cash steer averages weights were up 22 pounds and the average weight for heifers average weights were up 23 pounds.

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It doesn't help beef prices to have beef exports down to just 9,900 MT. Japan the largest buyer took a mere 3,200 MT with Taiwan the next largest buyer at 1,600 MT. Exporters aren't going to buy US beef because they can source larger Choice quantities from Brazil and Australia. The US is importing 2.86% less beef this year likely because there is more Select beef to buy in the US.

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August Live Cattle on Friday settled at $180.17. The 5 day negotiated steer price is $182.21.

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Beef net exports for week ending July 6, 2023 were only 9900 MT. Japan was the biggest buyer taking 3,200 MT with Taiwan taking 1,600 MT.

Week Ending June 29 , 2023 17,000 MT
Week Ending June 22, 2023 12,000 MT
Week Ending June 15, 2023 13,300 MT
Week Ending June 8, 2023 12,800 MT

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NATIONAL WEEKLY FED CATTLE COMPREHENSIVE REPORT JULY 11, 2023

As of July 11, 2023 dressed steer and heifer carcasses averaged 855.8 pounds up 4.5 pound from previous week at 851.3 pounds and 3.2 pounds higher than a year ago. The grading percent as of 7/11/23 was 81.7 % compared to previous week at 80.7%. A year ago the grade percent was 80.3%.
https://www.ams.usda.gov/mnreports/ams_2700.pdf

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****WEEKLY FUTURES PRICE CHANGE**

	07/07/2023	07/14/2023
AUGUST 2023 LIVE CATTLE	177.00	180.17
OCTOBER 2023 LIVE CATTLE	179.37	182.62
DECEMBER 2023 LIVE CATTLE	183.17	185.77
FEBRUARY 2024 LIVE CATTLE	186.75	188.50
APRIL 2024 LIVE CATTLE	188.65	190.10

Live Cattle are bear spread.

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***NATIONAL DAILY DIRECT CATTLE 07/17/23
5 DAY ACCUMULATED WEIGHTED AVG

	WEIGHT	PRICE	HEAD
LIVE STEER:	1452	$184.22	23,562
LIVE HEIFER:	1301	$184.84	7,880
DRESSED STEER	945	$291.63	10,645
DRESSED HEIFER:	833	$292.02	2,073

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USDA POSTED SUMMARY CATTLE PRICES ON 07/17/2023 STEERS

IA/MN – CASH FOB – NO REPORTABLE TRADE.
CASH FOB – NO REPORTABLE TRADE.
DRESSED - NO REPORTABLE TRADE.
LIVE DELIVERED – 186.00 STEERS/HEIFERS MIXED ON 35 HEAD

NE – CASH FOB – NO REPORTABLE TRADE.
DRESSED DELIVERED –NO REPORTABLE TRADE.

KS – CASH – NO REPORTABLE TRADE.
LIVE DELIVERED: 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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OCTOBER 2023 LIVE CATTLE/OCTOBER 2023 LEAN HOGS

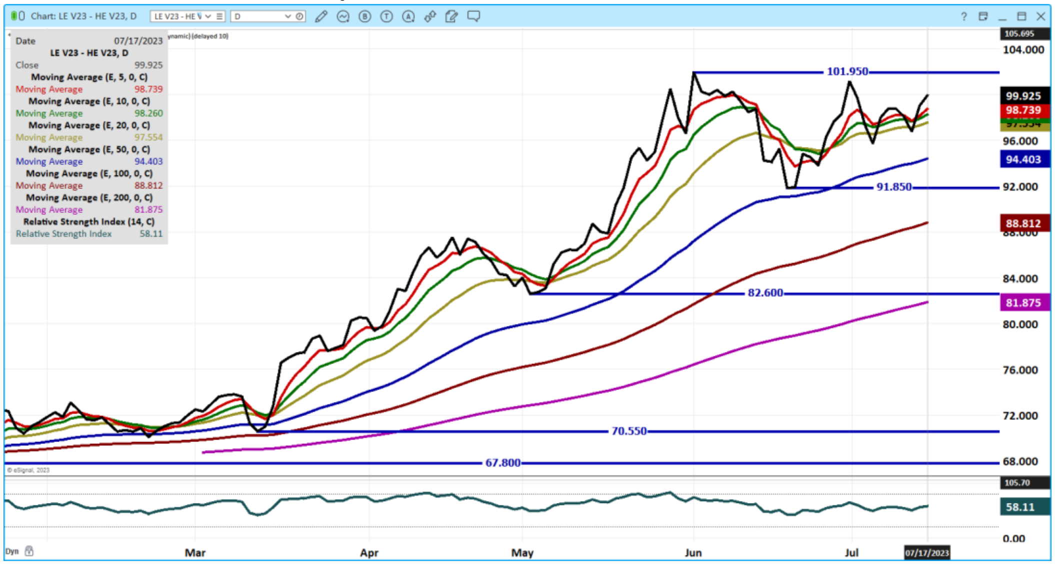
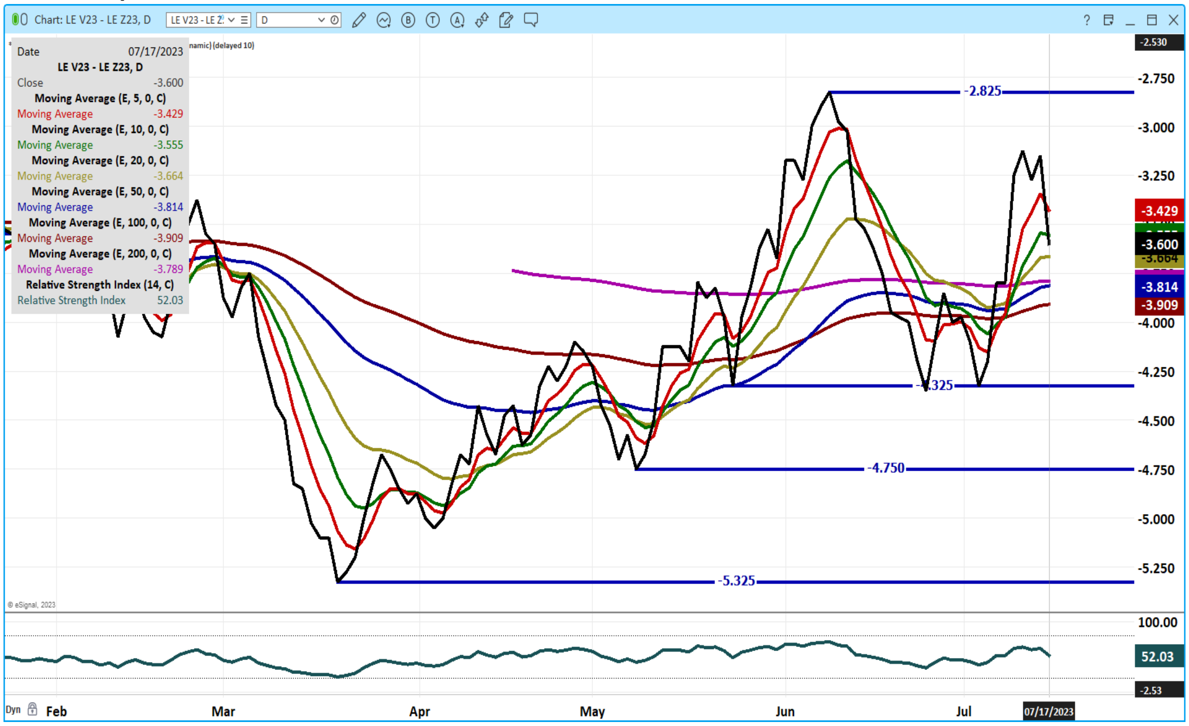
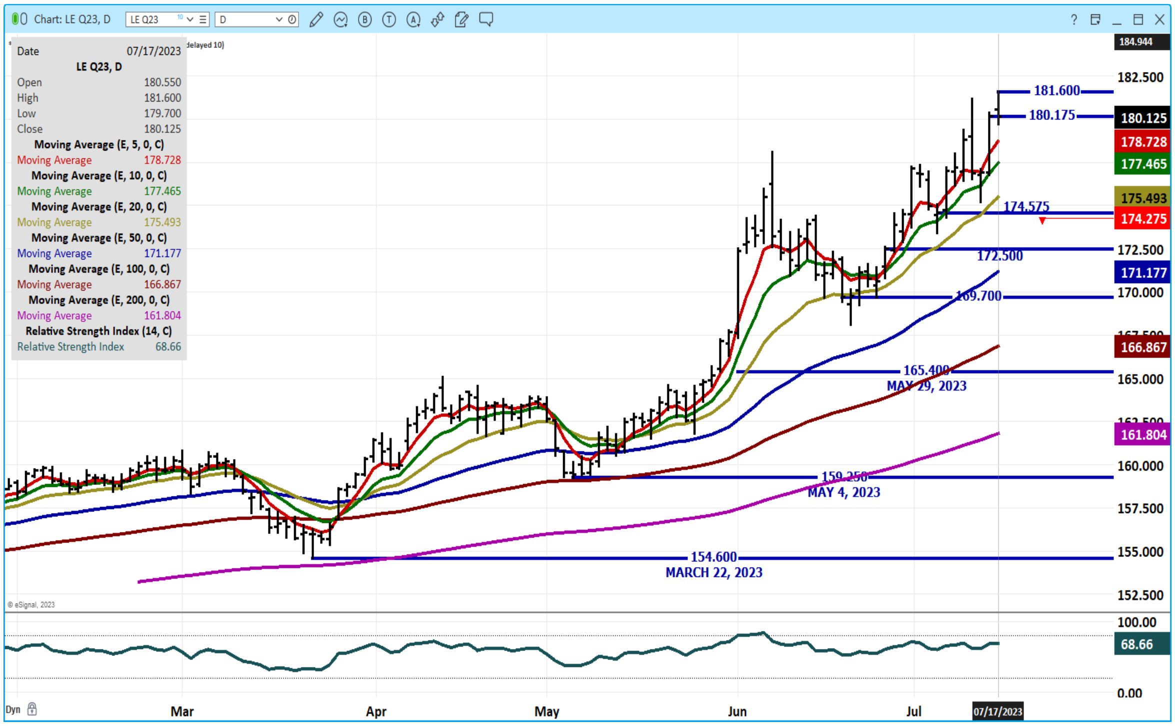


CHART PROVIDED BY ESIGNAL INTERACTIVE

OCTOBER/DECEMBER 2023 LIVE CATTLE SPREAD – BEAR SPREAD



AUG 2023 LIVE CATTLE – VOL AT 28245 RESISTANCE AT 183.35 SUPPORT AT 178.70 TO 177.37



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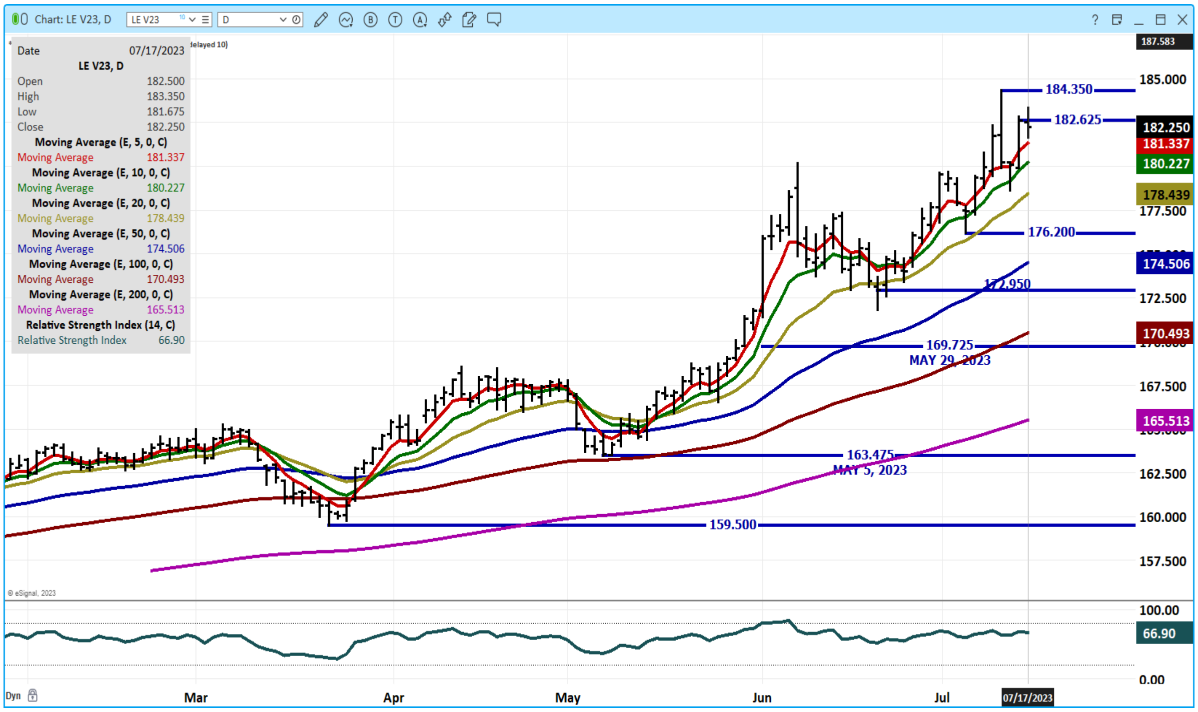
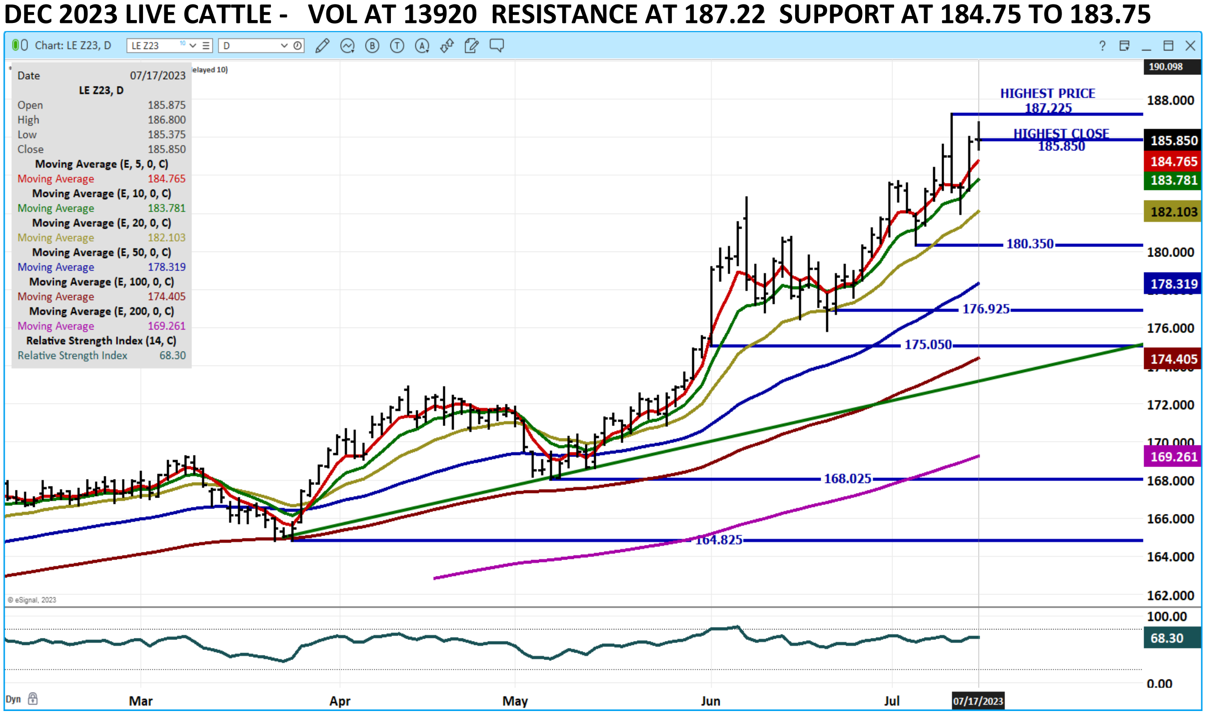
OCT 2023 LIVE CATTLE – VOL AT 36522 RESISTANCE AT 184.35 SUPPORT AT 181.30 TO 180.20



DEC 2023 LIVE CATTLE - VOL AT 13920 RESISTANCE AT 187.22 SUPPORT AT 184.75 TO 183.75



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FEEDER CATTLE

CME FEEDER INDEX ON 07/14/2023 WAS 237.73 DOWN 1.632 FROM PREVIOUS DAY –
AUGUST 2023 FEEDER CATTLE FUTURES SETTLED ON 07/17/2023 AT $249.25

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NATIONAL FEEDER & STOCKER CATTLE SUMMARY - WEEK ENDING 07/15/2023

RECEIPTS:	AUCTIONS	DIRECT	VIDEO/INTERNET	TOTAL
THIS WEEK:	177,600	90,300	422,700	690,600
07/01/2023:	136,200	38,500	27,000	201,700
YEAR AGO:	188,500	95,400	342,800	626,700

COMPARED TO TWO WEEKS AGO, STEERS AND HEIFERS SOLD 5.00 TO 8.00 HIGHER. MODERATE TO GOOD DEMAND REMAINS FOR ALL WEIGHTS OF STEERS AND HEIFERS AS THE CASH FED CATTLE MARKET CONTINUES TO GREATLY OUTPERFORM THE FUTURES CONTRACT,
CASH FED CATTLE TOPPED AT 186.00 THIS WEEK. CATTLE FEEDERS ARE FEELING VERY BULLISH AS THIS IS THE DOG DAYS OF SUMMER WHEN THE FAT MARKET USUALLY STRUGGLES THE GREATEST, BUT PACKERS SEEMED TO STRUGGLE GETTING ENOUGH CATTLE PROCURED TO KEEP RUNNING AT FULL SPEED. SLOWING THE CHAIN SPEED DOWN TO HELP WITH MARGINS IS NOT UNCOMMON THIS TIME OF YEAR. GRASS CONDITIONS ARE GOOD IN SOME AREAS OF THE NORTHERN PLAINS TO KEEP YEARLINGS TURNED OUT; HOWEVER THE COW-CALF STATES ARE STILL RIDDLED WITH DROUGHT DESIGNATIONS OF D3 (EXTREME DROUGHT)

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WEEKLY FUTURES PRICE CHANGE

	07/07/2023	07/14/2023
AUGUST 2023 FEEDER CATTLE	245.42	246.65
SEPTEMBER 2023 FEEDER CATTLE	248.60	249.22
OCTOBER 2023 FEEDER CATTLE	250.52	250.47
NOVEMBER 2023 FEEDER CATTLE	250.60	250.40
JANUARY 2024 FEEDER CATTLE	248.75	248.47
MARCH 2024 FEEDER CATTLE	249.32	248.77
APRIL 2024 FEEDER CATTLE	251.97	251.37
MAY 2024 FEEDER CATTLE	253.70	253.50

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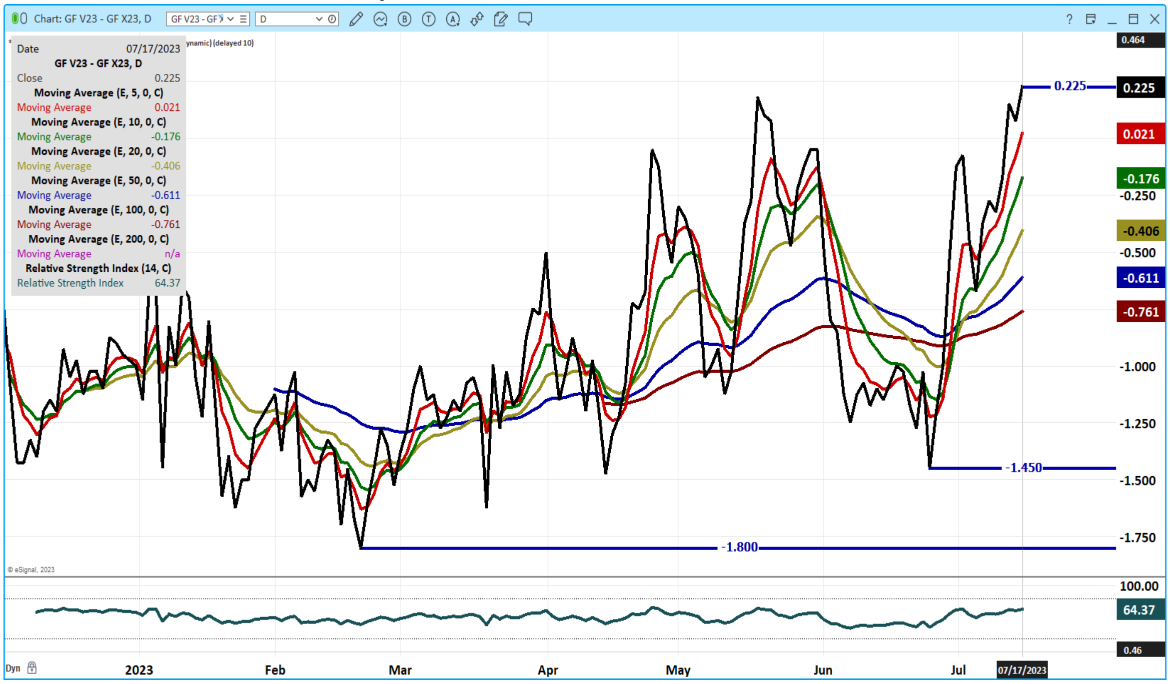
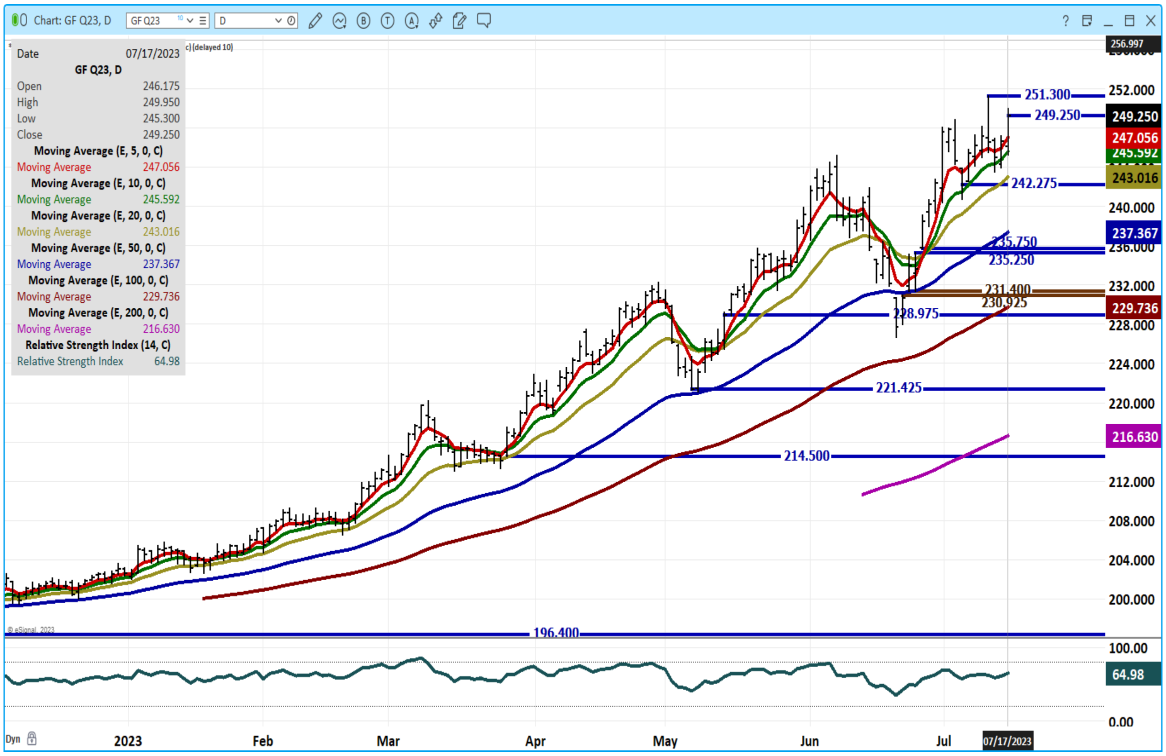
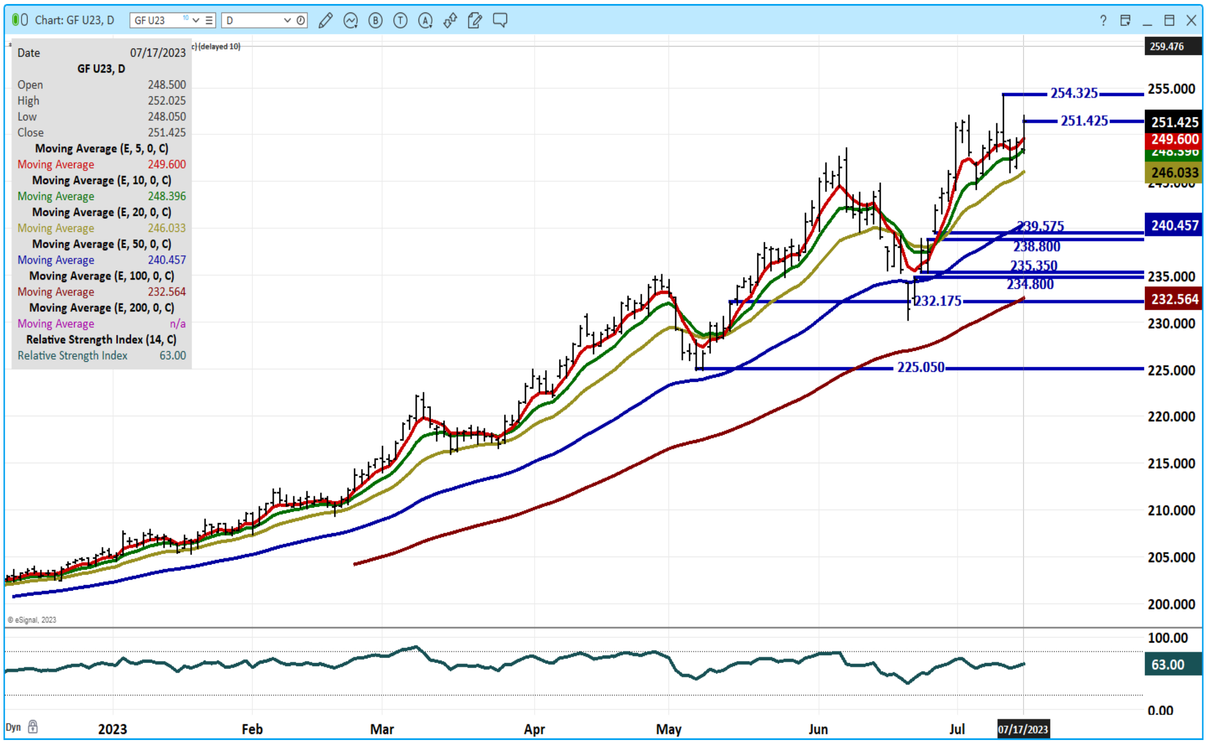
OCTOBER 2023 FEEDER CATTLE/NOVEMBER 2023 FEEDER CATTLE SPREAD – BULL SPREAD



AUGUST 2023 FEEDER CATTLE – NEW CONTRACT HIGH CLOSE RESISTANCE AT 251.30 SUPPORT AT 245.50 TO 243.00



SEPT 2023 FEEDER CATTLE – NEW CONTRACT HIGH CLOSE RESISTANCE AT 254.32 SUPPORT AT 246.00



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HOGS

USDA ESTIMATED FEDERAL HOG SLAUGHTER

JULY 17, 2023	449,000
WEEK AGO	460,000
YEAR AGO	450,000

**REVISED FRIDAY HOG SLAUGHTER.. 455,000 ** PREVIOUS ESTIMATE 460,000
**REVISED SATURDAY HOG SLAUGHTER.. 26,000 ** PREVIOUS ESTIMATE 33,000
**NEW WEEK TO DATE.. 2,328,000 ** PREVIOUS ESTIMATE 2,340,000

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CME LEAN HOG INDEX ON 07/13/2023 WAS 101.03 UP 74 CENTS FROM PREVIOUS DAY

CME PORK CUTOUT INDEX 07/14/2023 AT 111.46 UP 1.40 FROM PREVIOUS DAY

THE CME LEAN HOG INDEX IS MINUS $10.43 TO THE CME PORK INDEX.
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WEEKLY FUTURES PRICE CHANGE

	07/07/2023	07/14/2023
JULY 2023 LEAN HOGS	99.00	101.97
AUGUST 2023 LEAN HOGS	95.15	96.20
OCTOBER 2023 LEAN HOGS	81.37	83.60
DECEMBER 2023 LEAN HOGS	76.02	76.35
FEBRUARY 2023 LEAN HOGS	80.35	80.22
APRIL 2023 LEAN HOGS	85.15	84.75

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CME Lean Hog prices going up slower than the CME Pork Index is positive for the packer. If needed, packers will pay more for hogs.

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Lean Hog futures trade volume has slowed.

Monday, July Lean Hogs went off the board at $102.35.

Lean Hogs are bull spread for July and August and August to October but bear spread from December into 2024.

Federal slaughter is up 1.1% year to date.

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Individual pork primal cuts have fairly big daily price fluctuations. Monday Hams were down in the morning 11.70, butts were up 10.32 and bellies were 14.16 higher. Daily sales are light and are a small part of all pork sold. It is the reason paying attention to the 5 days average prices is so much more important than what happens on daily pricing.

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Unlike January through May, June and July pork prices have been led higher with loins and hams and when 53% of the cutout are these two cuts, it is positive.

Lean Hog futures are bull spread.

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The cheap US Dollar falling should be positive for pork especially with the strength the Mexican Peso has.
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Pork net sale exports were 24,500 MT for week ending July 6, 2023. China was the largest buyer with 13,700 MT followed by Japan taking 3,800MT and then Mexico with a paltry 3,600 MT

WEEK ENDING JUNE 29, 2023 NET EXPORT SALES WERE 26,000 MT
WEEK ENDING JUNE 22, 2023 NET EXPORT SALES WERE 26,700 MT
WEEK ENDING JUNE 15, 2023 NET EXPORT SALES WERE 28,700 MT
WEEK ENDING JUNE 08, 2023 NET EXPORT SALES WERE 26,700 MT
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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 : 261.43
Loads TRIM/PROCESS PORK : 25.53

2:00 PM	LOADS	CARCASS	LOIN	BUTT	PIC	RIB	HAM	BELLY
07/17/2023	286.97	112.71	101.67	117.86	87.44	129.00	102.56	184.07
CHANGE:		-2.84	-1.27	-7.32	1.90	-7.11	-8.66	2.98
FIVE DAY AVERAGE --		112.36	100.76	130.20	86.27	136.42	103.07	173.07

11:00 AM	LOADS	CARCASS	LOIN	BUTT	PIC	RIB	HAM	BELLY
07/17/2023	124.05	116.00	103.15	135.21	88.90	127.02	99.52	195.25
CHANGE:		0.45	0.21	10.03	3.36	-9.09	-11.70	14.16
FIVE DAY AVERAGE --		113.02	101.06	133.67	86.56	136.02	102.46	175.31

2:00 PM	LOADS	CARCASS	LOIN	BUTT	PIC	RIB	HAM	BELLY
07/14/2023	239.58	115.55	102.94	125.18	85.54	136.11	111.22	181.09
CHANGE:		4.65	3.36	-0.60	-0.77	0.86	12.46	6.17
FIVE DAY AVERAGE --		111.41	100.11	136.04	85.67	139.34	101.77	165.88

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DAILY DIRECT AFTERNOON HOG REPORT - PLANT DELIVERED PURCHASE
JULY 17, 2023
https://www.ams.usda.gov/sites/default/files/media/LMRSwineReportingHandout.pdf

National Negotiated Carcass Price
Head Count: 2,327
Lowest price: 95.00
Highest price: 104.00
Weighted Average 102.00
Change from Previous Day -2.09 higher

Other Market Formula (Carcass)
Head Count: 28,788
Lowest Base Price: 72.91
Highest Base Price: 104.98
Weighted Average Price: 97.65

Swine/Pork Market Formula (Carcass)
Head Count 162,277
Lowest base price: 91.74
Highest Base Price: 107.46
Weighted Average Price 101.29

Other Purchase Arrangement (Carcass)
HEAD COUNT: 140,293
Lowest base price: 87.31
Highest base price: 111.55
Weighted Average Price: 97.23

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NATIONAL DAILY DIRECT HOG PRIOR DAY REPORT - SLAUGHTERED SWINE
HTTPS://WWW.AMS.USDA.GOV/MNREPORTS/AMS_2511.PDF
SLAUGHTER DATA - FRIDAY, JULY 14, 2023 AND SATURDAY, JULY 15, 2023

****PRODUCER SOLD:**
HEAD COUNT 232,667
AVERAGE LIVE WEIGHT 277.66
AVERAGE CARCASS WEIGHT 207.71

PACKER SOLD:
HEAD COUNT 32,966
AVERAGE LIVE WEIGHT 286.62
AVERAGE CARCASS WEIGHT 214.68

PACKER OWNED:
HEAD COUNT 173,786
VERAGE LIVE WEIGHT 279.44
AVERAGE CARCASS WEIGHT 211.06

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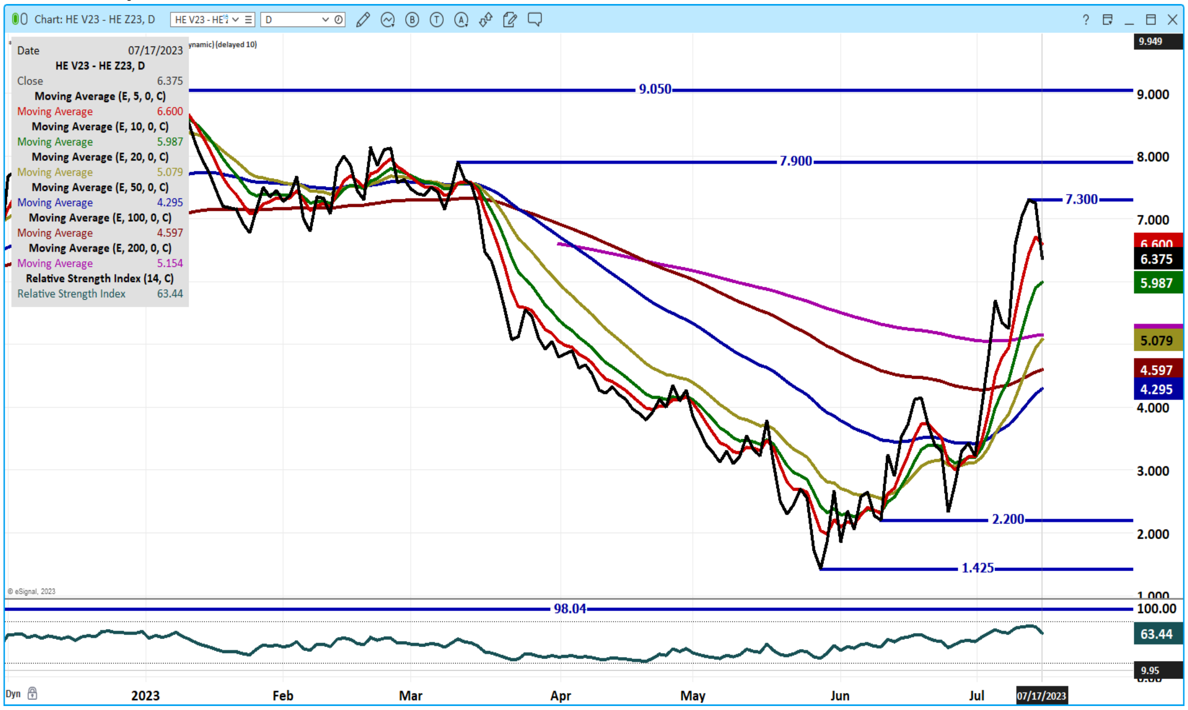
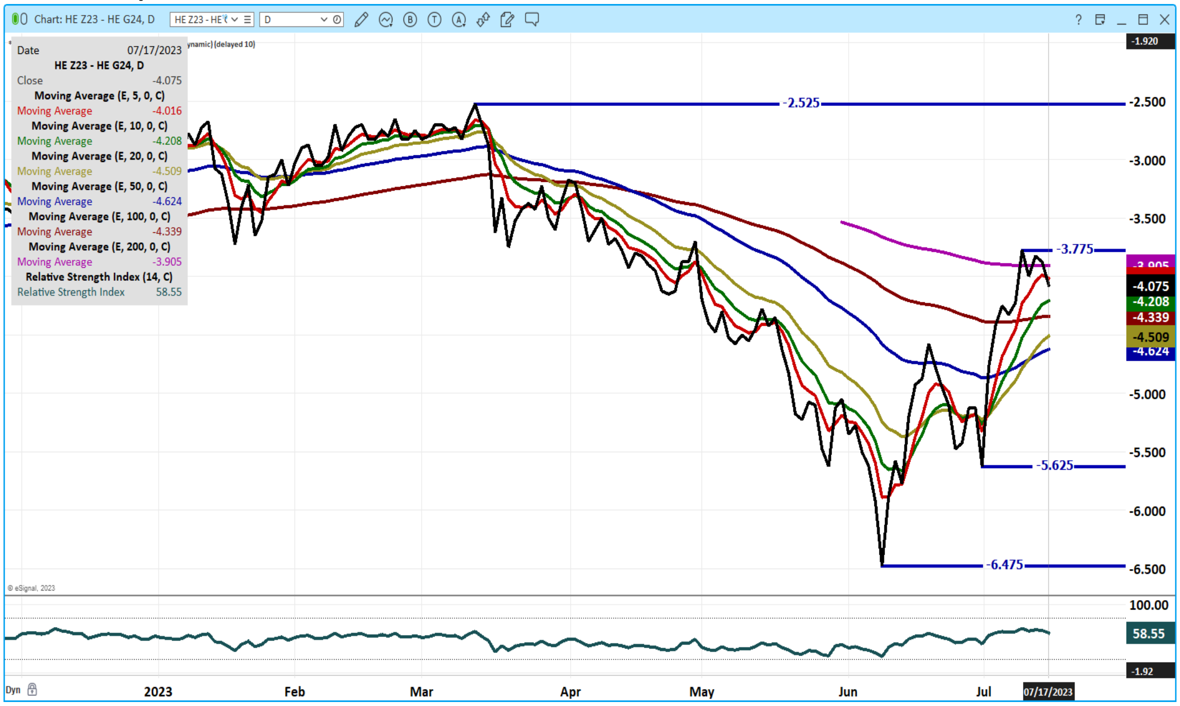
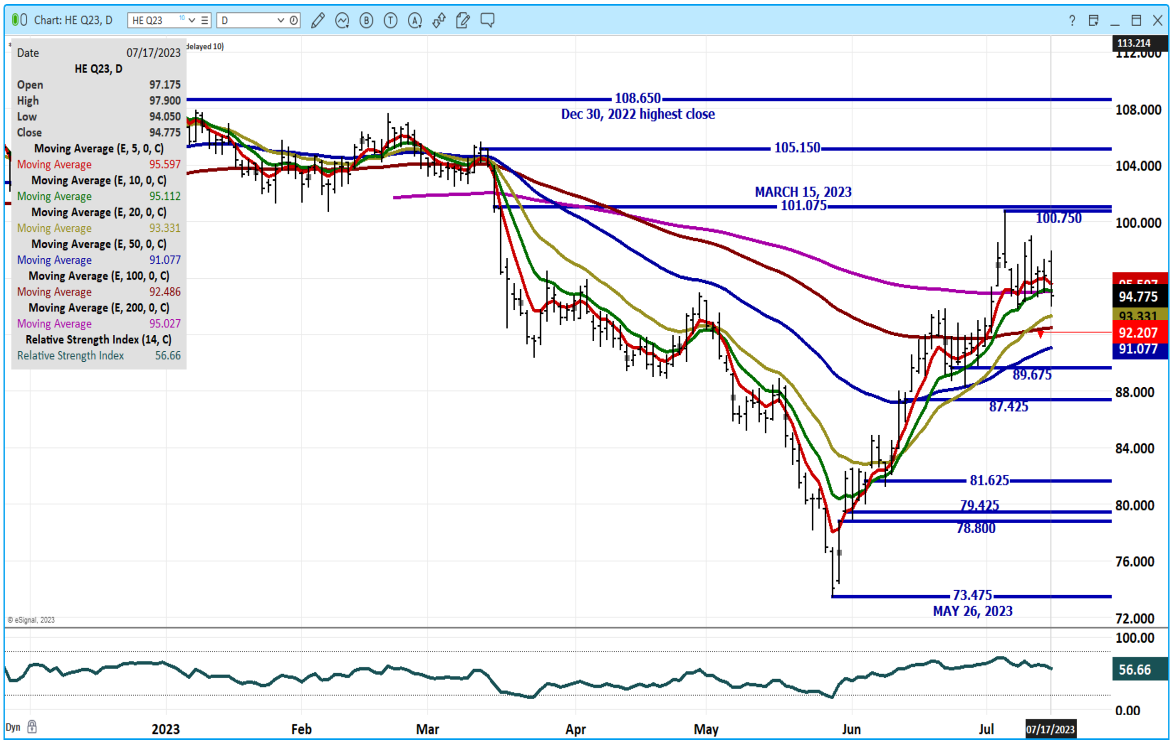
OCTOBER /DECEMBER LEAN HOG SPREAD – BULL SPREAD



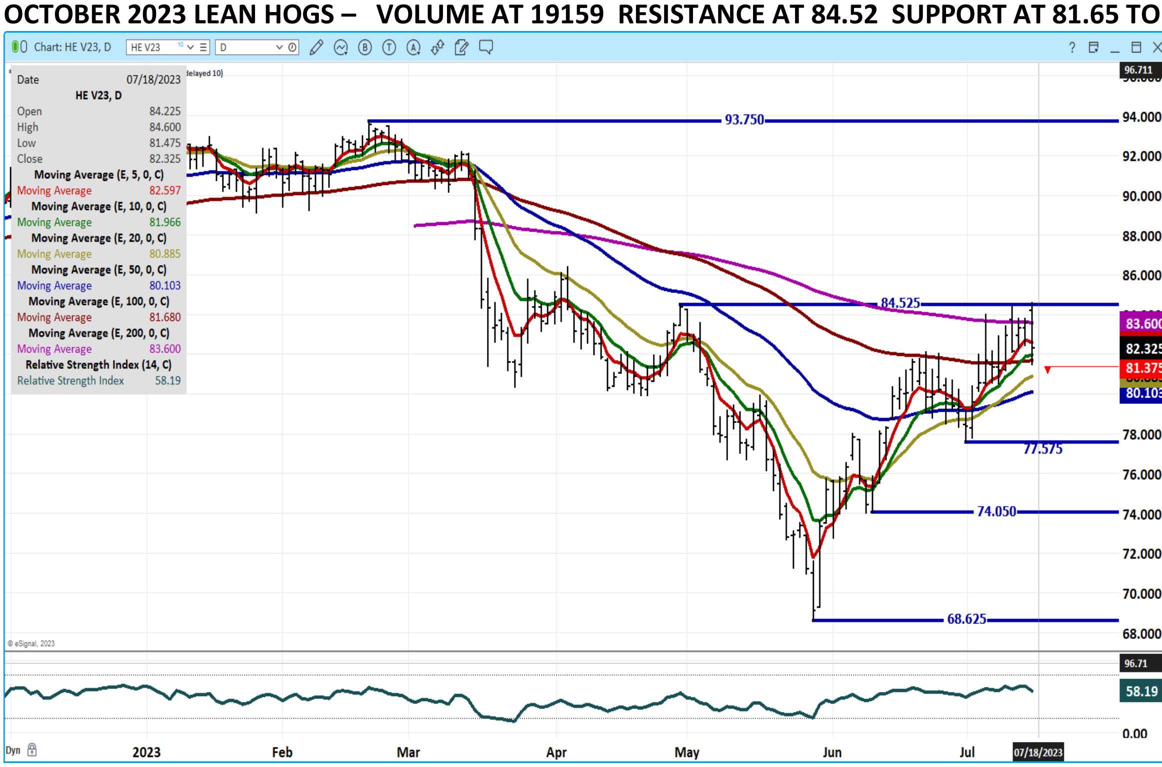
DECEMBER/FEBRUARY LEAN HOG SPREAD – BEAR SPREAD



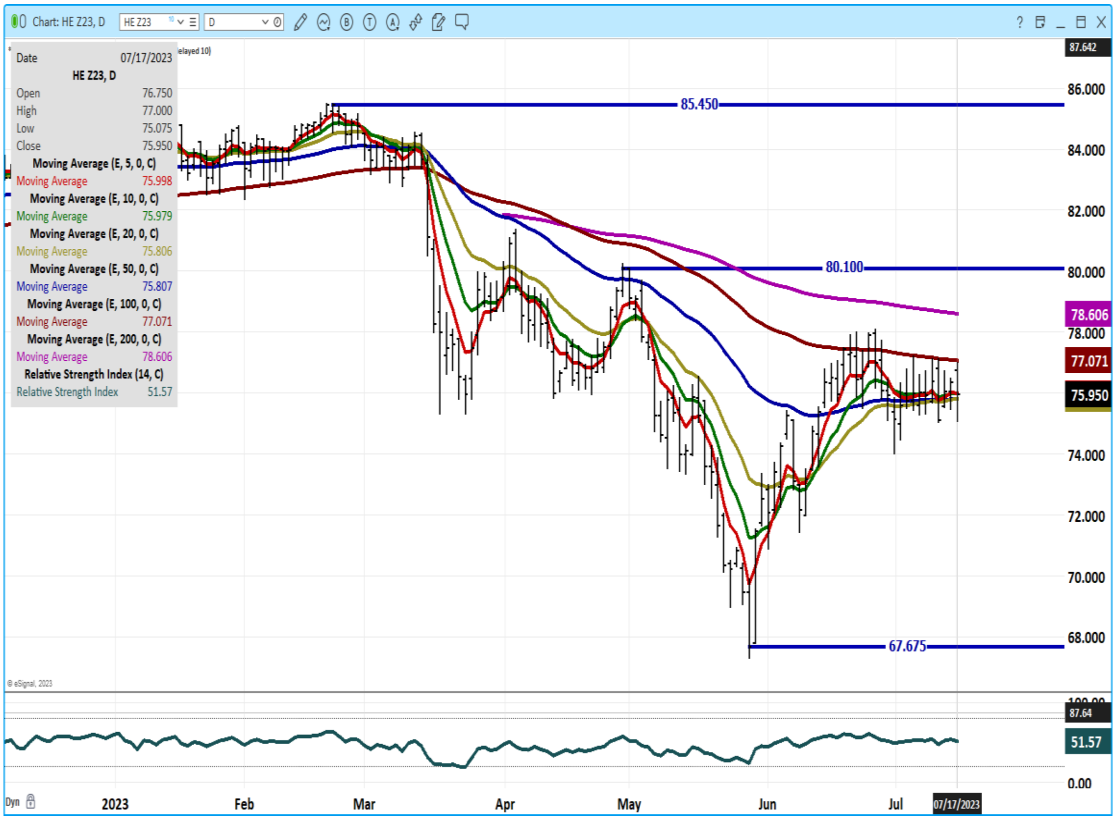
AUGUST 2023 LEAN HOGS – VOLUME AT 23401 RESISTANCE AT 101.07 SUPPORT AT 93.30 TO 92.20



OCTOBER 2023 LEAN HOGS – VOLUME AT 19159 RESISTANCE AT 84.52 SUPPORT AT 81.65 TO 80.00



DECEMBER 2023 LEAN HOGS – OBVIOUS RESISTANCE THE 100 DAY MOVING AVERAGE AT 77.10 SUPPORT AT 75.85 TO 74.00 VOLUME AT 8206



CHARTS FROM ESIGNAL INTERACTIVE, INC.

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