ADM Investor Services, Inc.

FRIDAY MORNING NOVEMBER 24, 2023 LIVESTOCK REPORT

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COLD STORAGE AND EXPORT HIGHLIGHTS ON BOTTOM OF REPORT

CATTLE

NOVEMBER 22, 2023	127,000
WEEK AGO	125,000
YEAR AGO	126,000
WEEK TO DATE (EST)	378,000
SAME PERIOD LAST WEEK (EST)	376,000
SAME PERIOD LAST YEAR (ACT)	384,000

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2:00 PM NOVEMBER 22, 2023

BOXED BEEF	CHOICE		SELECT
CURRENT CUTOUT VALUES:	297.00		267.62
CHANGE FROM PRIOR DAY:	1.19		(1.15)
CHOICE/SELECT SPREAD:		29.38	
TOTAL LOAD COUNT (CUTS, TRIMMINGS, GRINDS):		170	
5 DAY SIMPLE AVERAGE:	295.30		269.19

CME BOXED BEEF INDEX ON 11/20/2023 WAS 289.14 UP 39 FROM PREVIOUS DAY

2:00 PM NOVEMBER 22, 2023

PRIMAL RIB	550.25	445.12
PRIMAL CHUCK	238.54	234.60
PRIMAL ROUND	241.10	236.96
PRIMAL LOIN	387.68	318.26
PRIMAL BRISKET	228.82	218.66

PRIMAL SHORT PLATE	164.26	164.26
PRIMAL FLANK	131.17	129.83

2:00 PM NOVEMBER 21, 2023

PRIMAL RIB	546.16	451.11
PRIMAL CHUCK	239.03	236.72
PRIMAL ROUND	242.06	238.07
PRIMAL LOIN	383.12	316.59
PRIMAL BRISKET	227.05	218.63
PRIMAL SHORT PLATE	164.15	164.15
PRIMAL FLANK	130.65	128.38

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LOAD COUNT AND CUTOUT VALUE SUMMARY

Date	Choice	Select	Trim	Grinds	Total		
11/21	119	25	10	12	166	295.81	268.77
11/20	77	27	5	25	135	295.75	270.95
11/17	55	12	4	13	85	FRIDAY 293.87	270.70 FRIDAY
11/16	84	22	0	30	137	294.72	267.65
11/15	79	24	18	20	141	296.33	267.85

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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.

November 20, 2023

Choice Cuts	114.65 loads	4,586,035 pounds
Select Cuts	29.84 loads	1,193,703 pounds
Trimmings	11.23 loads	449,015 pounds
Ground Beef	13.96 loads	558,505 pounds

**WEEKLY FUTURES PRICE CHANGE

	11/17/2023	11/24/2023
DECEMBER 2023 LIVE CATTLE	175.75	
FEBRUARY 2024 LIVE CATTLE	176.80	
APRIL 2024 LIVE CATTLE	178.42	
JUNE 2024 LIVE CATTLE	173.45	
AUGUST 2024 LIVE CATTLE	173.60	
OCTOBER 2024 LIVE CATTLE	178.52	
DECEMBER 2024 LIVE CATTLE	182.92	
FEBRUARY 2025 LIVE CATTLE	186.10	

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USDA CATTLE ON FEED REPORT NOVEMBER 17, 2023

	Range	Average	Actual	Million head	Estimate
On feed Nov. 1	**100.9-102.4**	**101.8**	**102**	**11.931**	**11.907**
Placements in October	**99.8-108**	**104.9**	**104**	**2.164**	**2.203**
Marketings in October	**97-98.5**	**97.9**	**97**	**1.758**	**1.766**

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Cash buying took place Wednesday. Packers came out at $177.00 and feedlots sold but buying was light. Compared to last week cash is $1.00 lower.

Boxed beef was higher Wednesday with Choice primal ribs up $4.09 and Choice loins up $4.56. This is holiday demand beef.

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More people traveling during Thanksgiving 2023 should be an indicator that beef sales especially the high end beef cuts during December should remain strong. However, middle and low priced primal prices have been going down in price. There is low unemployment, consumer incomes are better than they were a year ago and energy costs are down. The beef market into 2024 will depend on consumers with better incomes and consumers struggling or who can't stay ahead of their incomes. It is notable that ground beef and pork trimming sales have greatly increased. It appears that packers margins are negative or that is what they are saying. With the majority of cattle and beef contracted, nobody knows what packer profits do except for individual packers. For the small packer that still buys cattle from showlists and sells most of their beef on the daily market, they do have negative margins but for the big packers who own to feed or contract cattle and contract beef to the packers that are international and then those that are multi species corporations, profit margins are what they tell the stockholders, what they use when securing loans and what they use for taxes. Global consumers and global cattle expansion will dictate prices in 2024.

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Live Cattle futures trade volume as expected ahead of the Thanksgiving break was light Wednesday.

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Cattle grades and weights are improving in Texas. The weather is helping feed conversions.

USDA NATIONAL STEER & HEIFER ESTIMATED GRADING PERCENT REPORT MONDAY NOVEMBER 11, 2023

	Nebraska	Kansas	Texas
Prime	**11.37%**	**7.93%**	**4.63%**
Choice	**72.83%**	**73.46%**	**63.03%**
Select	**11.43%**	**15.49%**	**29.82%**
Other	**4.37%**	**3.12%**	**2.53%**

For Week Ending: 11/11/2023

	Nebraska	Kansas	Texas
Prime	11.60%	7 .19%	3.16%
Choice	72.92%	73.85%	60.63%
Select	11.40%	15.27%	33.41%
Other	4.07%	3.69%	2.79%

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EXPORTS

For the week ending November 9, 2023 net export sales were 10,000 MT. China was largest buyer at 2600 MT, Hong Kong at 2500 MT and South Korea at 1300 with Japan at 1200 MT.

Week Ending November 9, 2023	8,900 MT
Week Ending November 2, 2023	13,600MT
Week Ending October 26, 2023	17,100 MT
Week Ending October 19, 2023	17,400MT

HTTPS://APPS.FAS.USDA.GOV/EXPORT-SALES/HIGHLITE.HTM
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NATIONAL WEEKLY FED CATTLE COMPREHENSIVE REPORT NOVEMBER 14, 2023

As of November 21, 2023, 2023 dressed steer and heifer carcasses averaged 900.4 pounds up 10.1 pounds from previous week at 890.3 pounds. The grading percent as of 11/21/23 was 80.5% compared to previous week at 80.4% up .1%. On November 22, 2022 carcasses weighed 894.2 pounds and graded 80.5%.
https://www.ams.usda.gov/mnreports/ams_2700.pdf
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***NATIONAL DAILY DIRECT CATTLE 11/22/2023
5 DAY ACCUMULATED WEIGHTED AVG

	WEIGHT	PRICE	HEAD
LIVE STEER:	1479	$177.77	26,015
LIVE HEIFER:	1326	$177.80	9,075
DRESSED STEER	971	$281.46	9,730
DRESSED HEIFER:	835	$281.56	2,975

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USDA POSTED SUMMARY CATTLE PRICES ON 11/22/2023 FOR FRIDAY

IA/MN – CASH FOB – 174.00 - 178.00 AVE PRICE 177.53 ON 1,533 TOTAL HEAD
DRESSED DELIVERED – 280.00 ON 941 HEAD
LIVE DELIVERED – NO REPORTABLE TRADE.
DRESSED FOB - 278.00 - 279.00 ON 249 HEAD

NE – CASH FOB – 177.00
DRESSED DELIVERED - 280.00 ON 2624 HEAD

KS – CASH – 176.00 - 177.00 ON 5,432 HEAD
DRESSED DELIVERED - 280.00 ON 35 HEAD

TX/OK/NM CASH – 175.00 - 177.00 AVE PRICE 176.96

COLORADO - **INFORMATION NOT AVAILABLE DUE TO CONFIDENTIALITY**

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APRIL 2024 LIVE CATTLE/ APRIL 2024 LEAN HOGS –
FEBRUARY 2024/APRIL 2024 LIVE CATTLE SPREAD
APRIL/JUNE 2024 LIVE CATTLE SPREAD –
DECEMBER 2023 LIVE CATTLE –
FEBRUARY 2024 LIVE CATTLE –
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FEEDER CATTLE

CME FEEDER INDEX ON 11/20/2023 WAS 226.94 UP 18 CENTS FROM PREVIOUS DAY

JANUARY 2024 FEEDER CATTLE FUTURES SETTLED ON 11/22/2024 AT $227.12

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NATIONAL FEEDER & STOCKER CATTLE SUMMARY - WEEK ENDING 11/18/2023

RECEIPTS:	Auctions	Direct	Video/Internet	Total
This Week:	279,000	30,300	34,500	343,800
Last Week:	307,100	35,000	4,300	346,400
Year Ago:	286,200	29,000	34,700	349,900

Compared to last week, steers and heifers sold 2.00 to 6.00 lower. Demand for steer and heifer calves was much more moderate this week as the cattle futures complex continues to drop quickly. After the sell-off the week before, the CME Cattle complex rebounded this week and the Feeder Cattle

contracts gained back roughly forty percent of losses. Cattle buyers continue to be selective and purchase calves with fall vaccinations and uniform.

https://www.ams.usda.gov/mnreports/sj_ls850.txt

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WEEKLY FUTURES PRICE CHANGE

	11/17/2023	11/24/2023	CONTRACT HIGH
JANUARY 2024 FEEDER CATTLE	228.50		268.50
MARCH 2024 FEEDER CATTLE	230.97		270.10
APRIL 2024 FEEDER CATTLE	234.50		273.60
MAY 2024 FEEDER CATTLE	237.77		272.47
AUGUST 2024 FEEDER CATTLE	251.27		282.92
SEPTEMBER 2024 FEEDER CATTLE	253.20		285.90

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JANUARY 2024 FEEDER CATTLE/MARCH 2024 FEEDER CATTLE SPREAD –
JANUARY 2024 FEEDER CATTLE -
MARCH 2024 FEEDER CATTLE –
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HOGS

USDA ESTIMATED FEDERAL HOG SLAUGHTER

NOVEMBER 22, 2023	450,000
WEEK AGO	487,000
YEAR AGO	448,000
WEEK TO DATE (EST)	1,422,000
SAME PERIOD LAST WEEK (EST)	1,430,000
SAME PERIOD LAST YEAR (ACT)	1,428,000

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CME LEAN HOG INDEX ON 11/20/2023 WAS 74.18 DOWN 40 CENTS FROM PREVIOUS DAY

CME PORK CUTOUT INDEX 11/21/2023 AT 86.33 DOWN 53 CENTS FROM PREVIOUS DAY

THE CME LEAN HOG INDEX IS MINUS $12.21 TO THE CME PORK INDEX. 11/22/2023

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WEEKLY FUTURES PRICE CHANGE

	11/17/2023	11/24/2023
DECEMBER 2023 LEAN HOGS	70.97	
FEBRUARY 2023 LEAN HOGS	75.45	
APRIL 2023 LEAN HOGS	81.45	
JUNE 2024 LEAN HOGS	95.00	
JULY 2024 LEAN HOGS	96.65	
AUGUST 2024 LEAN HOGS	96.75	
OCTOBER 2024 LEAN HOGS	83.85	

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December 2023 Lean Hogs settled at $68.27 on December 22nd. The CME Lean Hog Index is at $74.18 and $5.91 over December 2023 futures.

Cash negotiated hogs, carcass and formula priced hogs all have been trending lower. Packer margins are improving. Tuesday CME Lean Hogs were $12.34 under the CME Pork Index extending the margins for packers and as slaughter increases plant efficiency is improving for packers. As weights increase along with higher slaughter, efficiency increases. On the other side, producers are making less and are selling and moving hogs at the whim of the packer.

Trade volume was light on Wednesday. With most schools closed Wednesday and Friday traders like others workers are busy traveling and not trading.
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EXPORTS

For the week ending November 16, 2023 net export sales were 26,300 MT. Mexico with 13,300 MT . Japan bought 3,300 MT, China bought 2900 MT and South Korea at 2000 MT.

WEEK ENDING NOVEMBER 9, 2023 NET EXPORT SALES WERE 24,300 MT
WEEK ENDING NOVEMBER 2, 2023 NET EXPORT SALES WERE 49,000 MT
WEEK ENDING OCTOBER 26, 2023 NET EXPORT SALES WERE 31,100 MT.
WEEK ENDING OCTOBER 19, 2023 NET EXPORT SALES WERE 28,200 MT
WEEK ENDING OCTOBER 12, 2023 NET EXPORT SALES WERE 30,700 MT
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FOB PLANT - NEGOTIATED SALES
<u>Based on negotiated prices and volume of pork cuts delivered within 14 days</u> 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 : 307.51
LOADS TRIM/PROCESS PORK : 28.75

2:00 PM	LOADS	CARCASS	LOIN	BUTT	PIC	RIB	HAM	BELLY
11/22/2023	336.26	84.68	82.65	107.80	81.96	109.29	78.86	95.33
CHANGE:		-0.53	-0.88	0.23	3.62	-0.89	-0.83	-4.24

FIVE DAY AVERAGE --		86.01	83.10	109.25	80.42	110.55	80.30	100.38
11:00 AM	LOADS	CARCASS	LOIN	BUTT	PIC	RIB	HAM	BELLY
11/22/2023	196.35	87.09	82.19	110.14	93.12	111.18	78.74	101.17
CHANGE:		1.88	-1.34	2.57	14.78	1.00	-0.95	1.60
FIVE DAY AVERAGE --		86.49	83.01	109.72	82.65	110.93	80.28	101.55
2:00 PM	LOADS	CARCASS	LOIN	BUTT	PIC	RIB	HAM	BELLY
11/21/2023	344.96	85.21	83.53	107.57	78.34	110.18	79.69	99.57
CHANGE:		-0.88	-0.41	-1.21	-1.32	-2.06	-1.41	0.67
FIVE DAY AVERAGE --		86.44	83.39	109.58	79.19	111.32	81.62	100.98

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HOG REPORT - PLANT DELIVERED PURCHASE
NOVEMBER 22, 2023
https://www.ams.usda.gov/sites/default/files/media/LMRSwineReportingHandout.pdf

National Negotiated Carcass Price
Head Count: 4,187
Lowest price: 55.00
Highest price: 63.00
Weighted Average 59.19
Change from Previous Day -1.84 lower

Other Market Formula (Carcass)
Head Count: 20,752
Lowest Base Price: 61.77
Highest Base Price: 82.45
Weighted Average Price: 67.82

Swine/Pork Market Formula (Carcass)
Head Count 112,154
Lowest base price: 62.03
Highest Base Price: 80.00
Weighted Average Price 72.98

Other Purchase Arrangement (Carcass)
HEAD COUNT: 62,211
Lowest base price: 60.00
Highest base price: 107.00
Weighted Average Price: 78.18

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***NATIONAL DAILY DIRECT HOG PRIOR DAY REPORT - SLAUGHTERED SWINE**
HTTPS://WWW.AMS.USDA.GOV/MNREPORTS/AMS_2511.PDF
SLAUGHTER DATA –NOVEMBER 21, 2023

****PRODUCER SOLD:**
HEAD COUNT 232,736
AVERAGE LIVE WEIGHT 285.35
AVERAGE CARCASS WEIGHT 213.11

PACKER SOLD:
HEAD COUNT 35,381
AVERAGE LIVE WEIGHT 291.28
AVERAGE CARCASS WEIGHT 218.27

PACKER OWNED:
HEAD COUNT 181,030
AVERAGE LIVE WEIGHT 287.87
AVERAGE CARCASS WEIGHT 218.12

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FEBRUARY/APRIL LEAN HOG SPREAD –
DECEMBER 2023 LEAN HOGS –
FEBRUARY 2024 LEAN HOGS –
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Beef: Net sales of 10,000 MT for 2023 were up 12 percent from the previous week, but down 30 percent from the prior 4-week average. Increases primarily for China (2,600 MT, including decreases of 400 MT), Hong Kong (2,500 MT, including decreases of 400 MT), South Korea (1,300 MT, including decreases of 500 MT), Japan (1,200 MT, including decreases of 900 MT), and Mexico (1,100 MT, including decreases of 100 MT), were offset by reductions for Singapore (100 MT) and Taiwan (100 MT). Net sales of 4,400 MT for 2024 were primarily for Japan (2,300 MT), China (700 MT), Hong Kong (500 MT), the Philippines (200 MT), and Guatemala (200 MT). Exports of 15,100 MT were up 12 percent from the previous week and 8 percent from the prior 4-week average. The destinations were primarily to South Korea (4,200 MT), Japan (3,700 MT), China (2,500 MT), Mexico (1,600 MT), and Taiwan (800 MT).

Pork: Net sales of 26,300 MT for 2023 were up 8 percent from the previous week, but down 21 percent from the prior 4-week average. Increases were primarily for Mexico (13,300 MT, including decreases of 200 MT), Japan (3,300 MT, including decreases of 700 MT), China (2,900 MT, including decreases of 100 MT), South Korea (2,000 MT, including decreases of 400 MT), and Colombia (1,200 MT, including decreases of 100 MT). Net sales of 600 MT for 2024 were primarily for South Korea (500 MT). Exports of 32,200 MT were up 4 percent from the

previous week and 5 percent from the prior 4-week average. The destinations were primarily to Mexico (10,300 MT), South Korea (4,800 MT), Japan (4,800 MT), China (2,800 MT), and Colombia (2,200 MT).

USDA COLD STORAGE REPORT - NOVEMBER 22, 2023

October 2023 Highlights

Total red meat supplies in freezers were down slightly from the previous month and down 14 percent from last year.

Total pounds of beef in freezers were up 6 percent from the previous month but down 13 percent from last year.

Frozen pork supplies were down 6 percent from the previous month and down 14 percent from last year.

Stocks of pork bellies were down 6 percent from last month and down 31 percent from last year.

Cold Storage 11/22/2023 (cornell.edu)

https://downloads.usda.library.cornell.edu/usda-smis/files/pg15bd892/g158d2094/wm119838h/cost1123.pdf

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When year to date cattle slaughter at the end of October was down 4.6% to see beef in storage up 6% is slightly negative. Consumers are eating less beef due to high prices. To see beef down 13% from a year ago with the smaller slaughter compared to October 2022 it simply shows fewer cattle slaughtered means less beef.

Pork has been moving. US consumers are eating about 1 pound more and exports have been very good in 2023. There was a record low for bone-in hams which is somewhat surprising because hams are and have been cheap. However, hams are often sold for exports to be made into trimmings and sold as percent lean to fat similar to how ground beef is sold in the US.

It is doubtful the report will affect the markets. With cattle and hogs bear spread, traders are looking ahead and not back a month ago. Funds have already left 2023 Live Cattle and Lean Hogs..
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