



ADM Investor
Services, Inc.

Daily Futures Market Commentary Livestock Outlook

THURSDAY MORNING DECEMBER 28, 2023 LIVESTOCK REPORT

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U.S. EXPORT SALES REPORT WILL BE RELEASED ON FRIDAY, DECEMBER 29, 2023

CATTLE

DECEMBER 27, 2023	125,000
WEEK AGO	123,000
YEAR AGO	124,000
WEEK TO DATE (EST)	225,000
SAME PERIOD LAST WEEK (EST)	372,000
SAME PERIOD LAST YEAR (ACT)	256,000

2:00 PM DECEMBER 27, 2023

BOXED BEEF	CHOICE	SELECT
CURRENT CUTOUT VALUES:	291.48	260.32
CHANGE FROM PRIOR DAY:	(1.83)	(0.87)
CHOICE/SELECT SPREAD:		31.16
TOTAL LOAD COUNT (CUTS, TRIMMINGS, GRINDS):		106
5 DAY SIMPLE AVERAGE:	291.06	261.67

CME BOXED BEEF INDEX ON 12/26/2023 WAS 284.72 UP 51 CENTS FROM PREVIOUS DAY

2:00 PM DECEMBER 27, 2023

PRIMAL RIB	557.10	417.98
PRIMAL CHUCK	235.59	232.94
PRIMAL ROUND	209.29	210.90
PRIMAL LOIN	387.22	322.49
PRIMAL BRISKET	258.43	238.44
PRIMAL SHORT PLATE	170.30	170.30
PRIMAL FLANK	127.34	123.84

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2:00 PM DECEMBER 26, 2023

PRIMAL RIB	568.76	432.26
PRIMAL CHUCK	238.09	230.71
PRIMAL ROUND	209.82	213.35
PRIMAL LOIN	387.54	322.11
PRIMAL BRISKET	252.95	229.03
PRIMAL SHORT PLATE	169.12	169.12
PRIMAL FLANK	125.32	123.26

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LOAD COUNT AND CUTOFF VALUE SUMMARY

Date	Choice	Select	Trim	Grinds	Total		
12/26	42	13	7	6	69	293.31	261.19
12/22	51	15	12	12	90	FRIDAY 292.93	261.15 FRIDAY
12/21	114	21	14	18	167	291.13	261.27
12/20	76	20	6	22	124	289.13	261.60
12/19	76	25	11	22	135	288.83	263.16

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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.

December 27, 2023

Choice Cuts	63.80 loads	2,551,991 pounds
Select Cuts	24.30 loads	972,117 pounds
Trimmings	4.93 loads	197,197 pounds
Ground Beef	13.46 loads	538,419 pounds

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DECEMBER 2023 LIVE CATTLE DELIVERIES

NO DELIVERIES AS OF 12/27/2023

DATE 12/27/23 SETTLEMENT: \$170.72

OLDEST LONG – 4/06/2023 \$170.90

OPEN INTEREST ON DECEMBER 28, 2023 AT 768 CONTRACTS

WEEK FUTURES PRICE CHANGE

	12/22/2023	12/29/2023	CONTRACT HIGH
DECEMBER 2023 LIVE CATTLE	170.05		192.05 9/19/2023
FEBRUARY 2024 LIVE CATTLE	168.52		196.60 9/19/2023
APRIL 2024 LIVE CATTLE	172.12		199.82 9/15/2023
JUNE 2024 LIVE CATTLE	170.12		199.02 9/15/2023
AUGUST 2024 LIVE CATTLE	171.00		192.45 9/15/2023
OCTOBER 2024 LIVE CATTLE	175.67		194.67 9/15/2023

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DECEMBER 2024 LIVE CATTLE	179.55	197.47 9/15/2023
FEBRUARY 2025 LIVE CATTLE	182.27	199.57 9/20/2023
APRIL 2025 LIVE CATTLE	184.60	195.35 11/02/2023

(APRIL 2025 LIVE CATTLE OPENED ON OCTOBER 31, 2023 AT 192.80)

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Cattle that couldn't make Tuesday's kill were able to be delivered Wednesday but with light beef sales, packers aren't going to push slaughter. Demand is over for holiday Choice primal rib buying. Moving forward the beef will need to see support from the middle and lower priced sections. In 2024 traders will be watching for any consistent moves down on financial markets or upturns on energy markets.

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Feedlots are asking more this week. With a weakened beef market, if packers end up paying more, it is because feedlots are holding off sales until the January even though they can get deferred checks. Feedlots are simply adding pounds which could backfire if beef prices drop.

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Cash cattle prices last week were up a solid \$2.00 and for some cattle \$3.00 higher, but buying was light especially in the Southwest. This week is a short kill week and next week will be another shortened week. Last week kill was just 621,000 head.

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The 5 day negotiated average steer price as of December 26th was \$170.00. Wednesday, December 27, 2023 December 2023 Live Cattle settled at \$170.72.

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USDA NATIONAL STEER & HEIFER ESTIMATED GRADING PERCENT REPORT

December 26, 2024

https://www.ams.usda.gov/mnreports/nw_ls196.txt Full Report

For Week Ending: 12/16/2023

	Nebraska	Kansas	Texas
Prime	12.45%	7.96%	4.52%
Choice	73.55%	76.35%	65.88%
Select	10.03%	12.82%	27.75%
Other	3.96%	2.87%	1.85%

For Week Ending: 12/9/2023

	Nebraska	Kansas	Texas
Prime	12.16%	7.38%	3.47%
Choice	73.34%	75.26%	62.91%
Select	10.70%	14.59%	31.52%
Other	3.80%	2.77%	2.10%

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EXPORTS

Exports should increase in 2024. When beef exports for 2023 are down 15% there should see some improvement, but don't look for a big increase with competition having trade agreements that will be hard for the US to break so exporters buy US beef.

For week ending December 14, 2023 net sales were 9700 MT. South Korea took 4200 MT and Japan 2600MT with Mexico buying 1100 MT. China took only 400 MT and Canada 600 MT. Beef exports have lost buyers due to Brazil selling to past big buyers of US beef.

Week Ending December 7, 2023	10,600 MT
Week Ending November 30, 2023	200 MT
Week Ending November 23, 2023	6,300 MT
Week Ending November 16, 2023	10,000 MT
Week Ending November 9, 2023	8,900 MT

[HTTPS://APPS.FAS.USDA.GOV/EXPORT-SALES/HIGHLITE.HTM](https://apps.fas.usda.gov/export-sales/highlite.htm)

NATIONAL WEEKLY FED CATTLE COMPREHENSIVE REPORT DECEMBER 27, 2023

As of December 27, 2023, dressed steer and heifer carcasses averaged 903.5 pounds down 4.5 pounds from previous week but up 11.2 pounds from a year ago. The grading percent as of 12/27/23 was 82.5% compared to previous week at 83.0% down .5%. On December 28, 2022 carcasses weighed 894.2 pounds and graded 83.0% .

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

***NATIONAL DAILY DIRECT CATTLE 12/27/2023 5 DAY ACCUMULATED WEIGHTED AVG

	WEIGHT	PRICE	HEAD
LIVE STEER:	1515	\$170.00	12,223
LIVE HEIFER:	1381	\$170.30	4,586
DRESSED STEER	966	\$270.16	5,132
DRESSED HEIFER:	887	\$269.15	1,702

USDA POSTED SUMMARY CATTLE PRICES ON 12/27/2023 FOR FRIDAY

IA/MN – CASH FOB – NO REPORTABLE TRADE
DRESSED DELIVERED – 269.00 - 280.00 AVE PRICE 278.55 ON 875 HEAD 863 – 943 POUNDS
LIVE DELIVERED – NO REPORTABLE TRADE
DRESSED FOB - NO REPORTABLE TRADE

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

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

TX/OK/NM CASH – NO REPORTABLE TRADE
LIVE DELIVERED – NO REPORTABLE TRADE

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 –
DECEMBER 2023 LIVE CATTLE –
FEBRUARY 2024 LIVE CATTLE –
JUNE 2023 LIVE CATTLE -

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FEEDER CATTLE

CME FEEDER INDEX ON 12/25/2023 WAS 220.51 DOWN 52 CENTS FROM PREVIOUS DAY

JANUARY 2024 FEEDER CATTLE FUTURES SETTLED ON 12/27/2024 AT \$224.47

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Feeders are bear spread. From August on out, sellers use the light volume spread trade as a belated Christmas present to place floors.

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ST. JOSEPH, MO TUE DEC 26, 2023 USDA-MO DEPT OF AG MARKET NEWS

This report will not be published on January 2, 2024. The next publish date of this report will be January 8, 2024.

NATIONAL FEEDER & STOCKER CATTLE SUMMARY - WEEK ENDING 12/23/2023

RECEIPTS:	Auctions	Direct	Video/Internet	Total
This Week:	103,100	36,300	1,300	140,700
Last Week:	191,800	36,600	46,100	274,500
Year Ago:	N/A	N/A	N/A	N/A

Compared to last week, a light test of steers and heifers sold 4.00 to 10.00 higher. A much lighter offering as many auction markets did not host a sale because of the Christmas holiday and this coming week will be much in the same. Good to very good demand for calves and limited number of yearlings. Order buyers take this coming week off and enjoy life a little without having to worry about getting their loads squared up.

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

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WEEKLY FUTURES PRICE CHANGE

	12/22/2023	12/29/2023	CONTRACT HIGH
JANUARY 2024 FEEDER CATTLE	222.75		268.50 SEPTEMBER 15, 2023
MARCH 2024 FEEDER CATTLE	224.40		270.10 SEPTEMBER 15, 2023
APRIL 2024 FEEDER CATTLE	229.52		273.60 SEPTEMBER 19, 2023
MAY 2024 FEEDER CATTLE	223.95		272.47 SEPTEMBER 15, 2023
AUGUST 2024 FEEDER CATTLE	247.62		282.92 SEPTEMBER 20, 2023
SEPTEMBER 2024 FEEDER CATTLE	250.27		285.90 SEPTEMBER 28, 2023
NOVEMBER 2024 FEEDER CATTLE	252.00		257.00 NOVEMBER 21, 2023

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APRIL 2024 FEEDER CATTLE/MAY 2024 FEEDER CATTLE SPREAD

**JANUARY 2024 FEEDER CATTLE -
MARCH 2024 FEEDER CATTLE -**

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HOGS

USDA ESTIMATED FEDERAL HOG SLAUGHTER

DECEMBER 27, 2023	488,000
WEEK AGO	478,000
YEAR AGO	484,000
WEEK TO DATE (EST)	939,000
SAME PERIOD LAST WEEK (EST)	1,446,000
SAME PERIOD LAST YEAR (ACT)	983,000

****Revised Tuesday Hog Slaughter.. 451,000** Previous Estimate 463,000**

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CME LEAN HOG INDEX ON 12/22/2023 WAS 66.59 UP 34 CENTS FROM PREVIOUS DAY

CME PORK CUTOUT INDEX 12/26/2023 AT 82.06 DOWN 35 CENTS FROM PREVIOUS DAY

THE CME LEAN HOG INDEX IS MINUS \$15.47 TO THE CME PORK INDEX. 12/27/2023

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WEEKLY FUTURES PRICE CHANGE

	12/22/2023	12/29/2023	CONTRACT HIGH
FEBRUARY 2023 LEAN HOGS	71.35		88.35 FEBRUARY 21, 2023
APRIL 2023 LEAN HOGS	77.57		91.60 FEBRUARY 23, 2023
JUNE 2024 LEAN HOGS	92.30		103.95 DECEMBER 14, 2022
JULY 2024 LEAN HOGS	93.95		102.60 FEBRUARY 22, 2023
AUGUST 2024 LEAN HOGS	94.30		96.90 JUNE 26, 2023
OCTOBER 2024 LEAN HOGS	81.87		85.20 MAY 15, 2023
DECEMBER 2024 LEAN HOGS	74.52		80.65 JUNE 21, 2023

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Light volume trade on Wednesday. Spec traders were bear spreading. Packers were able to bring in hogs that missed Tuesday's kill due to snow but with light pork sales, they aren't pushing kill. Look for light trading the remainder of the week.

Pork movement was also light. Hams on the daily buy were up on early sales \$5.70 and end the day up 3.52 but it didn't help the 5 day average currently at 74.98 Hams are cheap and although there wasn't a surge on demand during the holidays, processors and retailers may need to refill inventories.

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EXPORTS

FOR WEEK ENDING DECEMBER 14, 2023 NET EXPORTS WERE 37,500 MT. MEXICO TOOK 15,900 MT, SOUTH KOREA 7000 MT AND CANADA WITH 3200 MT. JAPAN BOUGHT 3000 MT AND CHINA WITH 2800 MT EXPORTS WERE VERY GOOD. BUT BIG EXPORTS DEPEND ON MEXICO. MEXICAN PESO IS STRONG AND MEXICO IS BUYING MORE PORK FROM THE US AND BRAZIL IN 2023 TO FIGHT INFLATION.

WEEK ENDING DECEMBER 7, 2023 NET EXPORTS SALES WERE 28,200 MT.
 WEEK ENDING NOVEMBER 30, 2023 NET EXPORTS SALES WERE 25,900 MT
 WEEK ENDING NOVEMBER 23, 2023 NET EXPORT SALES WERE 21,200 MT
 WEEK ENDING NOVEMBER 16, 2023 NET EXPORT SALES WERE 26,300 MT
 WEEK ENDING NOVEMBER 9, 2023 NET EXPORT SALES WERE 24,300 MT

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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 : 281.98
 Loads TRIM/PROCESS PORK : 49.13

2:00 PM	LOADS	CARCASS	LOIN	BUTT	PIC	RIB	HAM	BELLY
12/27/2023	331.11	82.52	81.56	108.46	74.25	114.82	77.89	87.76
CHANGE:		0.40	0.25	1.44	-0.35	3.30	3.52	-5.64
FIVE DAY AVERAGE --		81.91	82.26	108.09	80.17	114.57	74.98	85.22

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11:00 AM	LOADS	CARCASS	LOIN	BUTT	PIC	RIB	HAM	BELLY
12/27/2023	159.42	83.17	81.03	109.52	75.61	114.89	80.07	87.67
CHANGE:		1.05	-0.28	2.50	1.01	3.37	5.70	-5.73
FIVE DAY AVERAGE --		82.04	82.15	108.31	80.44	114.58	75.42	85.20

2:00 PM	LOADS	CARCASS	LOIN	BUTT	PIC	RIB	HAM	BELLY
12/26/2023	298.09	82.12	81.31	107.02	74.60	111.52	74.37	93.40
CHANGE:		-0.09	-1.82	-3.06	-9.81	-3.67	0.14	10.10
FIVE DAY AVERAGE --		82.02	82.62	108.24	81.99	115.33	74.53	85.00

**HOG REPORT - PLANT DELIVERED PURCHASE
DECEMBER 27, 2023**

National Negotiated Carcass Price

Head Count: 7,507

Lowest price: 40.00

Highest price: 48.00

Weighted Average 46.26

Change from Previous Day -0.29 lower

Other Market Formula (Carcass)

Head Count: 85,475

Lowest Base Price: 62.30

Highest Base Price: 93.20

Weighted Average Price: 85.10

Swine/Pork Market Formula (Carcass)

Head Count 148,977

Lowest base price: 46.91

Highest Base Price: 78.30

Weighted Average Price 65.26

Other Purchase Arrangement (Carcass)

HEAD COUNT: 72,551

Lowest base price: 52.72

Highest base price: 103.53

Weighted Average Price: 73.79

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

***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 – DECEMBER 26, 2023

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****PRODUCER SOLD:**
HEAD COUNT 213,990
AVERAGE LIVE WEIGHT 288.69
AVERAGE CARCASS WEIGHT 215.94

PACKER SOLD:
HEAD COUNT 31,432
AVERAGE LIVE WEIGHT 290.07
AVERAGE CARCASS WEIGHT 219.18

PACKER OWNED:
HEAD COUNT 161,707
AVERAGE LIVE WEIGHT 290.43
AVERAGE CARCASS WEIGHT 221.01

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FEBRUARY/APRIL LEAN HOG SPREAD –
FEBRUARY 2024 LEAN HOGS –
APRIL 2024 LEAN HOGS –

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CHARTS FROM ESIGNAL INTERACTIVE, INC.

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