ADM Investor Services, Inc.

TUESDAY MORNING AUGUST 13, 2024 LIVESTOCK REPORT

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CATTLE

AUGUST 12, 2024	112,000
WEEK AGO	119,000
YEAR AGO	118,469
2024 YEAR TO DATE	19,192,467
2023 YEAR TO DATE	20,055,835
PERCENT CHANGE YEAR TO DATE	-4.3%

HTTPS://WWW.AMS.USDA.GOV/MNREPORTS/AMS_3208.PDF

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2:00 PM AUGUST 12 2024

BOXED BEEF	CHOICE	SELECT
CURRENT CUTOUT VALUES:	315.83	300.17
CHANGE FROM PRIOR DAY:	3.12	1.58
CHOICE/SELECT SPREAD:	15.66	
TOTAL LOAD COUNT (CUTS, TRIMMINGS, GRINDS):	99	
5 DAY SIMPLE AVERAGE:	314.48	299.03

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CME BOXED BEEF INDEX ON 08/09/2024 WAS 311.15 NO CHANGE FROM PREVIOUS DAY

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2:00 PM AUGUST 12, 2024

PRIMAL RIB	457.75	434.07
PRIMAL CHUCK	270.83	265.22
PRIMAL ROUND	279.77	279.94
PRIMAL LOIN	399.85	349.61
PRIMAL BRISKET	257.54	247.35

PRIMAL SHORT PLATE	234.16	234.16
PRIMAL FLANK	196.90	192.65

2:00 PM AUGUST 09 2024

PRIMAL RIB	454.35	426.68
PRIMAL CHUCK	271.27	265.57
PRIMAL ROUND	278.47	278.96
PRIMAL LOIN	392.38	350.59
PRIMAL BRISKET	253.37	245.25
PRIMAL SHORT PLATE	224.44	224.44
PRIMAL FLANK	194.36	191.49

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LOAD COUNT AND CUTOUT VALUE SUMMARY

DATE	CHOICE	SELECT	TRIM	GRINDS	TOTAL		
08/09	75	17	6	11	108	312.71	298.59
08/08	84	19	10	12	124	312.12	298.03
08/07	85	24	6	14	128	313.85	298.83
08/06	119	29	14	20	181	315.81	299.62
08/05	51	22	8	13	93	317.94	300.06
08/02	72	20	6	12	110	313.77	297.17 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.

AUGUST 12, 2024 FINAL

CHOICE CUTS	61.38 LOADS	2,455,174 POUNDS
SELECT CUTS	22.15 LOADS	885,947 POUNDS
TRIMMINGS	0.00 LOADS	0 POUNDS
GROUND BEEF	15.05 LOADS	602,085 POUNDS

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WEEKLY FUTURES PRICE CHANGE

	08/02/2024	08/09/2024	CONTRACT HIGH
AUGUST 2024 LIVE CATTLE	184.10	184.25	192.45 9/15/2023
OCTOBER 2024 LIVE CATTLE	182.07	181.15	194.67 9/15/2023
DECEMBER 2024 LIVE CATTLE	182.20	179.60	197.47 9/15/2023
FEBRUARY 2025 LIVE CATTLE	183.32	180.05	199.57 9/20/2023
APRIL 2025 LIVE CATTLE	184.45	180.57	196.40 3/14/2024

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AUGUST 2024 LIVE CATTLE DELIVERIES

0 DELIVERIES ON AUGUST 12 2024

DATE 08/12/24 SETTLEMENT: $183.32
OLDEST LONG –01/31/2024 $178.92

OPEN INTEREST AS OF AUGUST 13, 2024 MORNING 5,565
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STARTING OUT THE WEEK, AUGUST LIVE CATTLE LOOK LIKE PACKERS ARE GOING TO TAKE OFF MORE CASH THIS WEEK. THERE IS A BIG DISCOUNT TO MIDWEST CATTLE AND ABOUT A $2.00 TO $3.00 DISCOUNT TO THE SOUTHWEST.

BOXED BEEF WAS HIGHER ON MONDAY BUT LOAD MOVEMENT WAS LIGHT WITH A TOTAL OF 99 LOADS, 61 LOADS OF CHOICE AND 22 LOADS OF SELECT. WITH THE LIGHT SLAUGHTER OF LAST WEEK, BEEF PRICES SHOULD BE UP. PACKERS ARE GOING LIMIT KILL UNTIL THEY CAN SEE A PROFIT FROM SLAUGHTER.

UNLIKE MEMORIAL DAY AND JULY 4TH WITH THE LIGHT OFFERINGS OF BEEF FOR SALE NOW, IT SO FAR DOESN'T APPEARRETAILERS ARE FIGHTING OVER THE AVAILABLE BEEF. A YEAR AGO, LABOR DAY WAS NOT A BIG STEAK TIME BUT INCREASES FOR LABOR DAY WERE FOR GROUND BEEF. WITH INCREASING BEEF IMPORTS, IT IS LIKELY SOME DEMAND WILL BE FILLED WITH BEEF IMPORTS.
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PACKERS REDUCED SLAUGHTER LAST WEEK BY 2000 HEAD TO 591,000.
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LAST WEEK CASH CATTLE IN THE MIDWEST CATTLE MOSTLY $192.00 -$193.00 WHICH IS DOWN $3.00. AND SOME DOWN $4.00 IN KANSAS A LARGE SALE AT $187.00 BUT A FEW WERE SOLD UP TO $190.50. AT $187.00 KANSAS WOULD BE $1.00 LOWER. CATTLE IN TEXAS SOLD MOSTLT AT $186.00 MOSTLY $186.00.
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THE 5 DAY NEGOTIATED STEER PRICE ON AUGUST 12TH WAS $191.59. AUGUST LIVE CATTLE FUTURES SETTLED AUGUST 12TH AT $183.32

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NATIONAL WEEKLY FED CATTLE COMPREHENSIVE REPORT AUGUST 6, 2024

AS OF AUGUST 6 2024, DRESSED STEER AND HEIFER CARCASSES AVERAGED 894.3 POUNDS, UP 1.6 POUNDS FROM PREVIOUS WEEK, AND UP 33.2 POUNDS FROM A YEAR AGO. THE GRADING PERCENT AS OF 08/06/2024 WAS 82.4% COMPARED TO PREVIOUS WEEK AT 83.2%. ON AUGUST 8, 2023 CARCASSES WEIGHED 861.1 POUNDS AND GRADED WAS 79.5%.
HTTPS://WWW.AMS.USDA.GOV/MNREPORTS/AMS_2700.PDF

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STERLING MARKETING BEEF MARGINS WEEK ENDING AUGUST 3, 2024
PACKER MARGIN ($ /HEAD ($135.55) LAST WEEK ($105.96) MONTH AGO ($45.93) YEAR AGO ($199.48)
FEEDLOT MARGINS: $313.40 LAST WEEK $350.53 MONTH AGO $450.78 YEAR AGO $482.45
Sterling Marketing uses the Comprehensive Beef Cutout Value reported by USDA. I have included a document that explains this cutout value. I looked at this value about 4 years ago and compared the beef packer margin values from my Choice-Select Adjusted value and this Comprehensive value. There was little difference. However, over the past few weeks, the difference has become significant. I believe this is because the mix of cattle slaughtered is increasingly includes higher valued cattle – i.e., Prime, Upper 2/3 Choice, and Branded Program cattle. In addition, it includes the formula-priced cattle. Using just the Choice and higher grade and Select grade to generate the cutout does not reflect this important difference in the quality of cattle which in turn is definitely a driver to the notable improvement in beef demand over the past year.
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EXPORTS WEEK

FOR WEEK ENDING AUGUST 1, 2024 AT EXPORTS WERE 10,000 MT DOWN 27% ON THE 4 WEEK AVERAGE SOUTH KOREA WAS THE LARGEST BUYER AT 3900 MT COMPARED TO 4,400 MT LAST WEEK. JAPAN BOUGHT 1,900 MT COMPARED TO 3500 MT A WEEK AGO MEXXICO CAME IN THIRD AT 1200 MT. CHINA TOOK 700 MT.

WEEK ENDING JULY 25, 2024	17,700 MT
WEEK ENDING JULY 18, 2024	13,200 MT
WEEK ENDING JULY 11, 2024	15,400 MT
WEEK ENDING JULY 4, 2024	8,300 MT

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USDA NATIONAL STEER & HEIFER ESTIMATED GRADING PERCENT REPORT
HTTPS://WWW.AMS.USDA.GOV/MNREPORTS/NW_LS196.TXT FULL REPORT

FOR WEEK ENDING: 8/03/2024

	NEBRASKA	KANSAS	TEXAS
PRIME	9.93%	8.59%	6.65%
CHOICE	75.08%	75.42%	64.20%
SELECT	11.61%	12.95%	26.22%
OTHER	3.37%	3.04%	2.93%

FOR WEEK ENDING: 7/27/2024

	NEBRASKA	KANSAS	TEXAS
PRIME	9.79%	8.39%	6.56%
CHOICE	74.99%	76.19%	64.24%
SELECT	11.45%	12.88%	26.85%
OTHER	3.76%	2.55%	2.34%

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***NATIONAL DAILY DIRECT CATTLE 08/12/2024
5 DAY ACCUMULATED WEIGHTED AVG

	WEIGHT	PRICE	HEAD
LIVE STEER:	1480	$191.59	33,409
LIVE HEIFER:	1342	$191.14	12,795
DRESSED STEER	963	$302.67	4,222
DRESSED HEIFER:	876	$305.18	2,400

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USDA POSTED SUMMARY CATTLE PRICES ON 08/12/2024
STEER AND HEIFER COMBINED PRICES UNLESS NOTED

IA/MN – CASH FOB – 191.00 ON 35 FOB STEERS
DRESSED DELIVERED – NO REPORTABLE TRADE
LIVE DELIVERED 191.00 ON 11 HEAD
DRESSED FOB - NO REPORTABLE TRADE

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

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

TX/OK/NM NO REPORTABLE TRADE

COLORADO - **INFORMATION NOT AVAILABLE DUE TO CONFIDENTIALITY**
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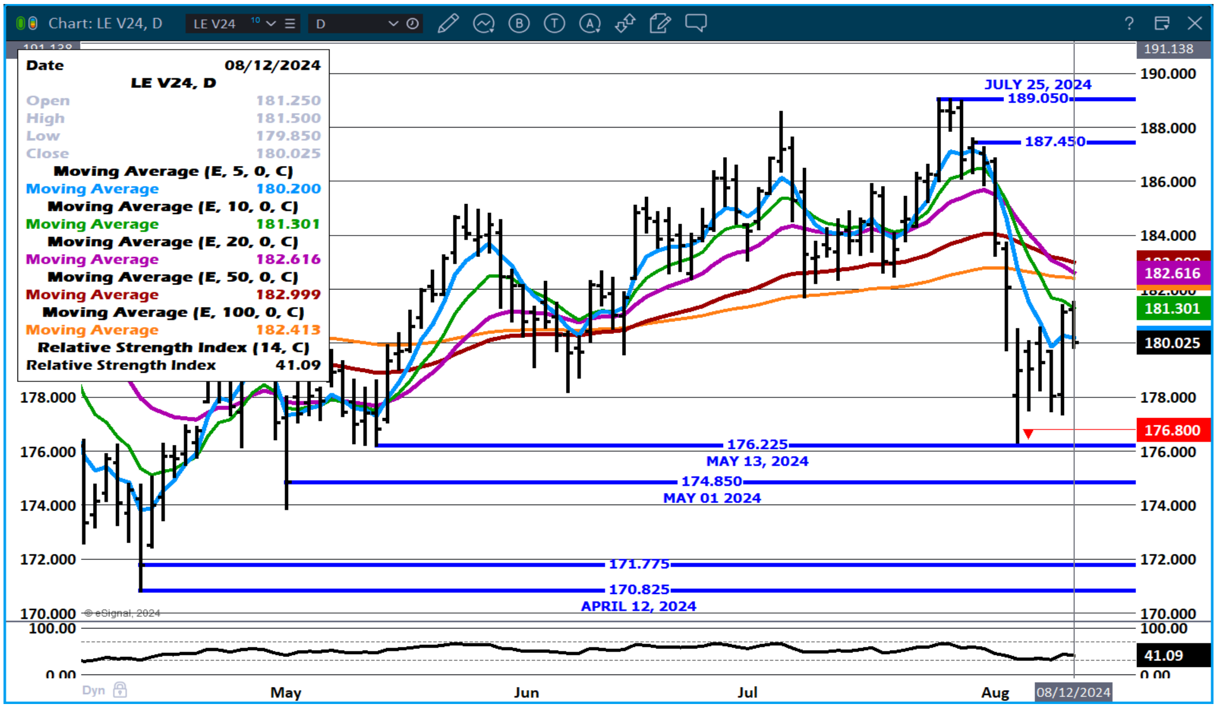
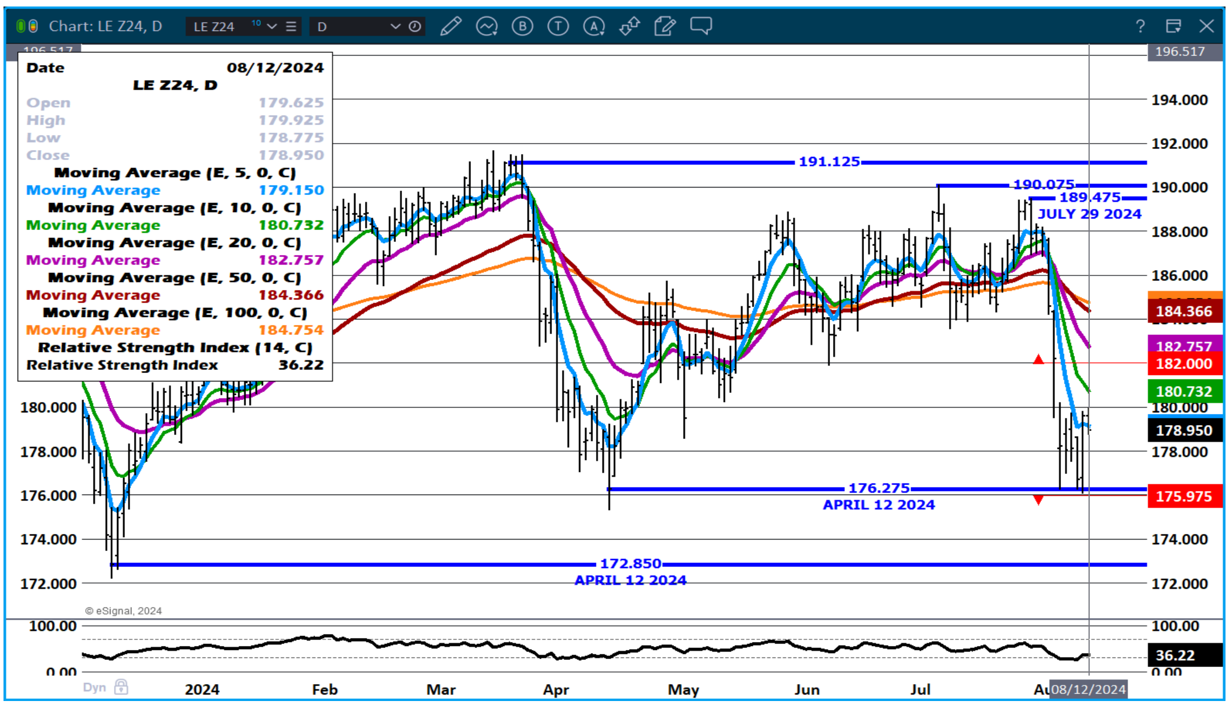
DECEMBER LIVE CATTLE/DECEMBER LEAN HOG SPREAD –
OCTOBER/DECEMBER 2024 LIVE CATTLE –
DECEMBER/FEBRUARY LIVE CATTLE SPREAD -

OCTOBER 2024 LIVE CATTLE - MONDAY PURELY A TECHNICAL TRADE BOUNCED UP TO 10 DAY MOVING AVERAGE AND THEN DROPPED TO CLOSE BELOW THE 5 DAY AVERAGE NEXT SUPPORT AT 176.22 TO 174.85 RESISTANCE AT 181.35



DECEMBER 2024 LIVEE CATTLE – SUPPORT AT 176.25 TO 172.85 RESISTANCE AT 180.75



FEEDER CATTLE

CME FEEDER INDEX ON 08/08/2024 WAS 245.57 DOWN 4.14 FROM PREVIOUS DAY

AUGUST 2024 FEEDER CATTLE ON AUGUST 12, 2024 AT $244.40
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NATIONAL FEEDER & STOCKER CATTLE SUMMARY - WEEK ENDING 08/10/2024

RECEIPTS:	AUCTIONS	DIRECT	VIDEO/INTERNET	TOTAL
THIS WEEK:	94,100	28,600	100,100	222,800
LAST WEEK:	106,300	48,600	221,300	376,200
YEAR AGO:	141,900	42,700	85,200	269,800

COMPARED TO LAST WEEK, STEERS AND HEIFERS SOLD 10.00 TO 15.00 LOWER. DEMAND WAS MODERATE TO GOOD AS FEEDER CATTLE BUYERS WERE WILLING TO TAKE ON INVENTORY, ONLY AT LOWER PRICES. FUNDAMENTALS STILL HAVEN'T REALLY CHANGED, AND PRODUCERS WERE NO LONGER ABLE TO DEFY THE TECHNICAL PRESSURE. FEEDYARDS HAVE REALIZED WE ARE IN A DIFFERENT WORLD THAN WE WERE JUST A COUPLE WEEKS AGO BY LOOKING AT THE SHARP FUTURES DROP AND WHERE CATTLE NEED TO BE BOUGHT AT TO MAKE A PROFIT.
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FEEDER CATTLE ARE FOLLOWING THE CASH CATTLE MARKET DOWN. THE LOWER GRAIN PRICES THIS SUMMER SEEM TO HAVE LITTLE EFFECT TO THE FEEDERS. OPERATING LOAN RATES HAVE DROPPED A BIT, BUT TOTAL COST OF REPLACEMENTS AND THE DROP IN LIVE CATTLE FUTURES ARE THE MAIN FACTORS FEEDER CATTLE ARE TRADING LOWER.

AS TIME GOES ON LOOK FOR INCREASING SUPPLIES ESPECIALLY OUT THE NORTHERN MIDWEST, THE NOTHERN PLAINS, MOUNTAIN STATES AND WESTERN STATES.

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WEEKLY PRICE CHANGE

	07/26/2024	08/02/2024	CONTRACT HIGH
AUGUST 2024 FEEDER CATTLE	249.65	246.50	282.92 SEPTEMBER 20, 2023
SEPTEMBER 2024 FEEDER CATTLE	248.15	241.60	285.90 SEPTEMBER 28, 2023
OCTOBER 2024 FEEDER CATTLE	246.57	239.77	275.17 FEBRUARY 8, 2024
NOVEMBER 2024 FEEDER CATTLE	245.32	238.40	274.70 FEBRUARY 8, 2024

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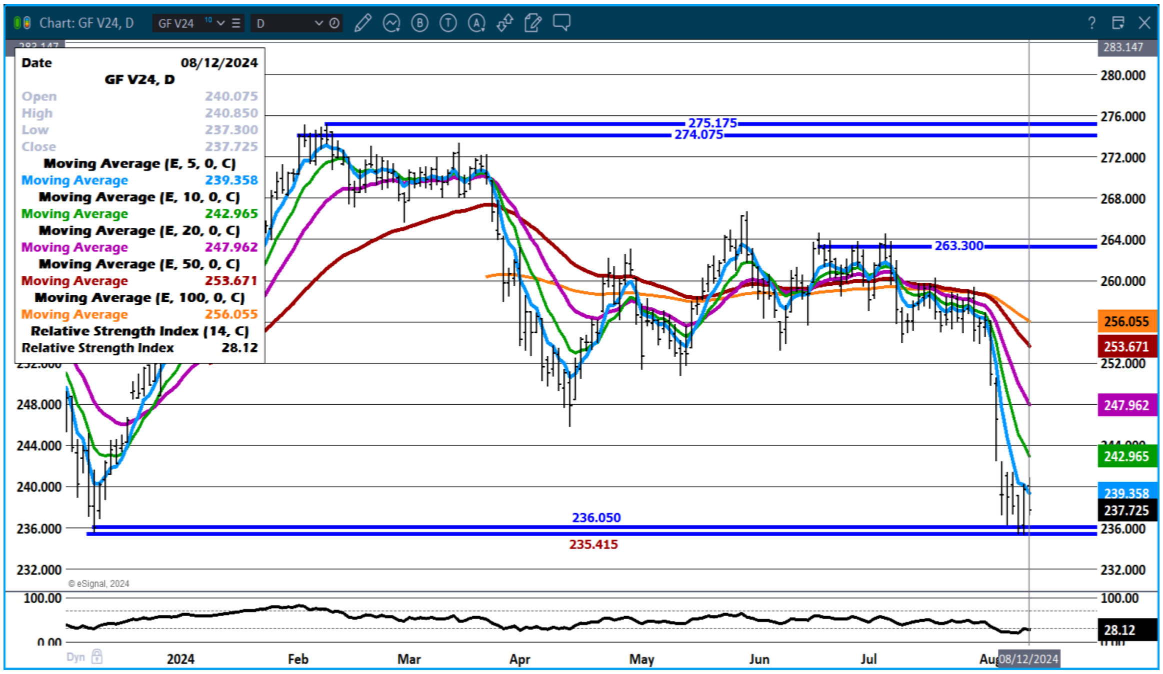
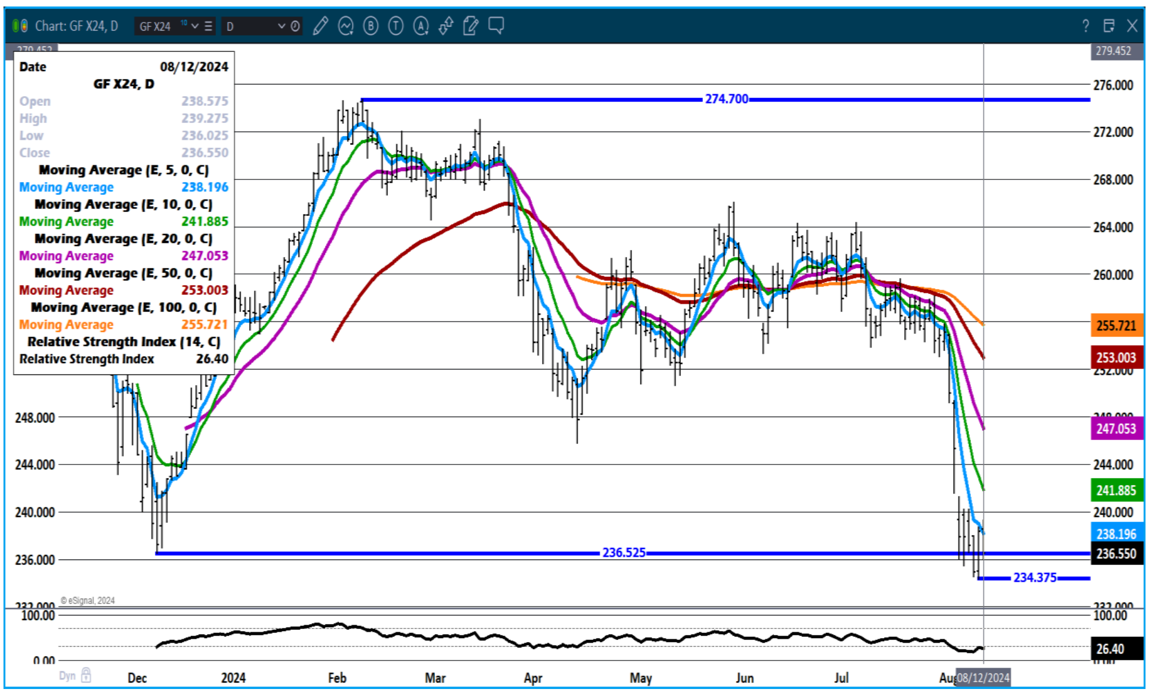
OCTOBER 2024 FEEDER CATTLE - BOUNCING ON CONTRACT LOWS RESISTANCE AT 243.00



NOVEMBER 2024 FEEDER CATTLE - RESISTANCE AT 242.00 SUPPORT AT 233.87



HOGS

USDA ESTIMATED FEDERAL HOG SLAUGHTER

REVISION FOR AUGUST 10, 2024 95,000** PREVIOUS ESTIMATE 84,000**
REVISION FOR WEEKLY SLAUGHTER SATURDAY AUGUST 10, 2024 2,383,000 ** PREVIOUS TOTAL 2,372,000

AUGUST 12, 2024	483,000
WEEK AGO	411,000
YEAR AGO	465,578
2024 YEAR TO DATE	78,286,553
2023 *YEAR TO DATE	77,326,789
YEAR TO DATE PERCENT CHANGE	1.2%

HTTPS://WWW.AMS.USDA.GOV/MNREPORTS/AMS_3208.PDF

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CME LEAN HOG INDEX ON 08/08/2024 WAS 91.90 DOWN 90 CENTS FROM PREVIOUS DAY

CME PORK CUTOUT INDEX 08/09/2024 AT 100.47 DOWN 89 CENTS FROM PREVIOUS DAY

THE CME LEAN HOG INDEX IS MINUS $8.57 TO THE CME PORK INDEX 08/12/2024
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WEEKLY FUTURES PRICE CHANGE

	08/02/2024	08/09/2024	CONTRACT HIGH
AUGUST 2024 LEAN HOGS	92.20	89.80	108.30 APRIL 10, 2024
OCTOBER 2024 LEAN HOGS	76.57	73.97	89.40 APRIL 9, 2024
DECEMBER 2024 LEAN HOGS	69.15	66.30	80.65 JUNE 21, 2023
FEBRUARY 2025 LEAN HOGS	72.37	69.87	82.05 APRIL 8, 2024
APRIL 2025 LEAN HOGS	77.05	74.87	88.00 OCTOBER 13, 2023
JUNE 2025 LEAN HOGS	88.90	87.60	96.80 DECEMBER 18, 2023

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CME LEAN HOG INDEX AS OF AUGUST 08, 2024 = $91.90

AUGUST 2024 LEAN HOGS AS OF AUGUST 12, 2024 = $90.02
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THE CME LEAN HOG INDEX AND THE CME PORK INDEX HAVE BEEN STEADILY FALLING. MOST CONCERNING IS THE DIFFERENCE WITH PORK PRICES FALLING FASTER THAN HOG PRICES AND CUTTING PACKER PROFIT MARGINS. THE 5 DAY DAILY CARCASS PRICE DROPPED TO $99.80 BELOW THE $100 LEVEL.

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AS THE SUMMER HEAT MOVES TO COOLER TEMPERATURES, WEIGHTS WILL INCREASE QUICKLY ADDING AT LEAST 5 TO 6 POUNDS TO HOGS. CANADA IS INCREASING SALES TO THE U.S. THE FIRST HALF OF THE YEAR EIMPORTS FROM CANADA WERE UP 35%. WHEN PACKERS CAN BUY CANADIAN HOGS THEY WILL BUY AND BUY. THE EXCHANGE RATE FAVORS BUYING THEM AND NORMALLY HOGS ARE PLANT WEIGHED WHETHER ON A CONTRACT OR NEGOTIATED PRICE.

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EXPORTS

WEEK ENDING AUGUST 1, 2024 NET EXPORTS WERE 34,600 MT UP 24% ON THE 4 WEEK AVERAGE . MEXICO TOOK14,800 MT COMPARED TO 12,800 MT. CHINA BOUGHT 7400 MT , JAPAN 2900 MT AND COLUMBIA AT 2500 MT.

CHINA

WEEK ENDING JULY 25, 2024 NET EXPORTS WERE 31,500 MT

WEEK ENDING JULY 18, 2024 NET EXPORTS WERE 30,200 MT

WEEK ENDING JULY 11, 2024 NET EXPORTS WERE 23,700 MT

WEEK ENDING JULY 4, 2024 NET EXPORTS WERE 26,500 MT

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STERLING PORK PROFIT TRACKER WEEK ENDING - AUGUST 3, 2024

PACKER MARGINS $26.19 LAST WEEK $25.97 MONTH AGO ($9.22) YEAR AGO $11.61

FARROW TO FINISH MARGINS $39.39 LAST WEEK $37.31 MONTH AGO $53.28 YEAR AGO $36.26

THE PRICES TO CALCULATE MARGINS ARE FROM HOGS SOLD ON NEGOTIATED PRICES AND PORK POSTED ON DAILY CARCASS. BOTH ARE A VERY SMALL AMOUNT OF ACTUAL PORK OR HOG SOLD. STERLING MARKETING CAN ONLY USE DATA PROVIDED AND PRIVATE FORMULAS AND GRIDS FOR HOGS AND PORK ARE NOT INCLUDED BECAUSE PACKERS DON'T SHARE CONTRACTED PORK PRICES AND HOG PRODUCERS SELLING ON FORMULAS AND CONTRACTS DON'T SHARE HOW PRICES ARE STRUCTURED.

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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%

LOADS PORK CUTS : 276.38

LOADS TRIM/PROCESS PORK : 35.30

2:00 PM	LOADS	CARCASS	LOIN	BUTT	PIC	RIB	HAM	BELLY
08/12/2024	311.69	100.27	98.97	108.18	78.06	121.64	96.53	135.78
CHANGE:		1.61	3.01	2.18	-0.07	2.85	-3.28	5.94
FIVE DAY AVERAGE		99.69	97.17	106.59	77.58	121.01	97.49	135.90

2:00 PM	LOADS	CARCASS	LOIN	BUTT	PIC	RIB	HAM	BELLY
08/09/2024	273.10	98.66	95.96	106.00	78.13	118.79	99.81	129.84
CHANGE:		0.43	-1.20	-0.59	2.31	0.07	3.24	0.36
FIVE DAY AVERAGE		100.49	96.89	106.64	77.67	121.69	98.64	139.39

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HOG REPORT - PLANT DELIVERED PURCHASE AUGUST 12, 2024

NATIONAL NEGOTIATED PRICE
HEAD COUNT 2,915
LOWEST PRICE: 79.00
HIGHEST PRICE: 84.00
WEIGHTED AVERAGE 82.48
CHANGE FROM PREVIOUS DAY -1.05 LOWER

OTHER MARKET FORMULA (CARCASS)
HEAD COUNT: 30,980
LOWEST BASE PRICE: 82.80
HIGHEST BASE PRICE: 103.99
WEIGHTED AVERAGE PRICE: 89.00

SWINE/PORK MARKET FORMULA (CARCASS)
HEAD COUNT 170,672
LOWEST BASE PRICE: 79.74
HIGHEST BASE PRICE: 94.90
WEIGHTED AVERAGE PRICE 88.27

OTHER PURCHASE ARRANGEMENT (CARCASS)
HEAD COUNT: 146,740
LOWEST BASE PRICE: 77.31
HIGHEST BASE PRICE: 104.64
WEIGHTED AVERAGE PRICE 86.44
HTTPS://WWW.AMS.USDA.GOV/SITES/DEFAULT/FILES/MEDIA/LMRSWINEREPORTINGHANDOUT.PDF

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NATIONAL DAILY DIRECT HOG PRIOR DAY REPORT - SLAUGHTERED SWINE
HTTPS://WWW.AMS.USDA.GOV/MNREPORTS/AMS_2511.PDF

SLAUGHTER DATA – AUGUST 9 2024 AND AUGUST 10, 2024

**PRODUCER SOLD:
HEAD COUNT 265,212
AVERAGE LIVE WEIGHT 281.43
AVERAGE CARCASS WEIGHT 211.26

PACKER SOLD:
HEAD COUNT 33,221
AVERAGE LIVE WEIGHT 277.51
AVERAGE CARCASS WEIGHT 210.62

PACKER OWNED:
HEAD COUNT 195,509
AVERAGE LIVE WEIGHT 277.65
AVERAGE CARCASS WEIGHT 212.45

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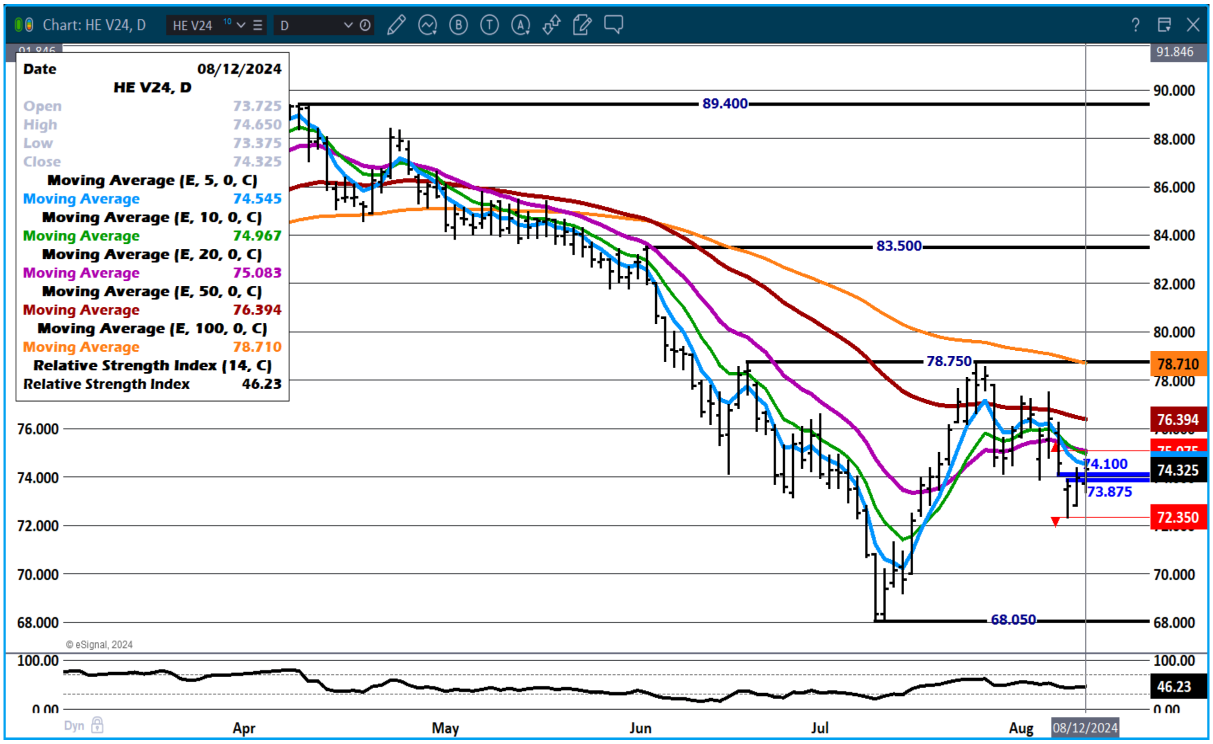
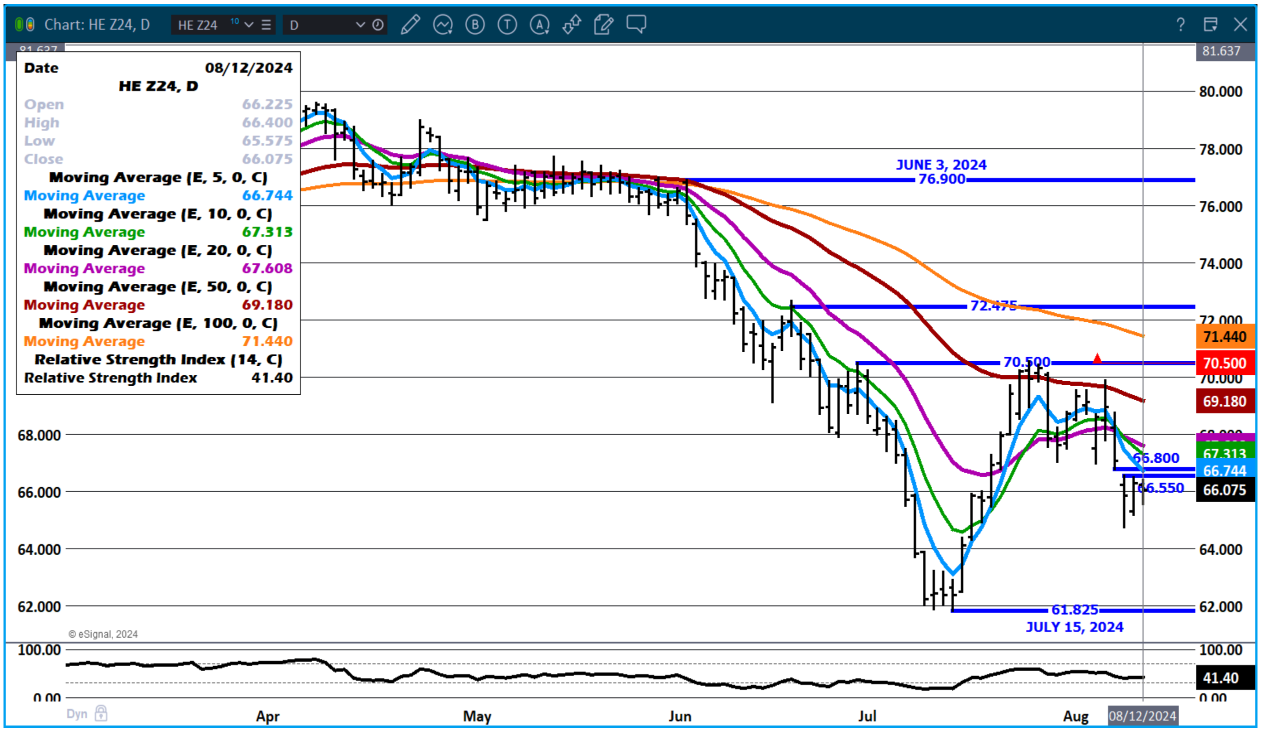
DECEMBER LIVE CATTLE/DECEMBER LEAN HOG SPREAD
OCTOBER/DECEMBER LEAN HOG SPREAD –
DECEMBER 2024/FEBRUARY 2025 LEAN HOG SPREAD –

OCTOBER 2024 LEAN HOGS – RESISTANCE AT 75.10 TO 76.50 SUPPORT AT 72.35 TO 68.05



DECEMBER 2024 LEAN HOGS – RESISTANCE AT 67.65 TO 69.20 SUPPORT AT 61.82



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ALL CHARTS FROM ESIGNAL INTERACTIVE, INC.

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