



ADM Investor Services, Inc.



Daily Futures Market Commentary Livestock Outlook

WEDNESDAY MORNING AUGUST 14, 2024 LIVESTOCK REPORT
CHRIS LEHNER, SENIOR LIVESTOCK ANALYST | 312.242.7942 | CHRIS.LEHNER@ADMIS.COM

CATTLE

AUGUST 13, 2024	122,000
WEEK AGO	122,000
YEAR AGO	125,955
WEEK TO DATE	234,000
PREVIOUS WEEK	241,000
2023 WEEK TO DATE	244,424
2024 YEAR TO DATE	19,314,467
2023 YEAR TO DATE	20,181,790
PERCENT CHANGE YEAR TO DATE	-4.3%

[HTTPS://WWW.AMS.USDA.GOV/MNREPORTS/AMS_3208.PDF](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:	316.93	300.61
CHANGE FROM PRIOR DAY:	1.10	0.44
CHOICE/SELECT SPREAD:		16.32
TOTAL LOAD COUNT (CUTS, TRIMMINGS, GRINDS):		138
5 DAY SIMPLE AVERAGE:	314.06	299.05

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CME BOXED BEEF INDEX ON 08/12/2024 WAS 311.04 DOWN 9 CENTS FROM PREVIOUS DAY

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2:00 PM AUGUST 13 2024

PRIMAL RIB	464.66	433.73
PRIMAL CHUCK	269.59	266.03
PRIMAL ROUND	281.28	282.09
PRIMAL LOIN	404.22	351.05
PRIMAL BRISKET	257.32	244.69
PRIMAL SHORT PLATE	227.75	227.75
PRIMAL FLANK	193.46	193.66

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

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LOAD COUNT AND CUTOUT VALUE SUMMARY

DATE	CHOICE	SELECT	TRIM	GRINDS	TOTAL		
08/12	61	22	0	15	99	315.83	300.17
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

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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 13, 2024

DATE 08/13/24 SETTLEMENT: \$184.00

OLDEST LONG -01/31/2024 \$178.92

OPEN INTEREST AS OF AUGUST 14, 2024 MORNING 4,973

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LIVE CATTLE SETTLED HIGHER ON TUESDAY ERASING THE LOSSES ON MONDAY. VOLUME WAS MODERATE AS TRADERS MOVED FUTURES TO WITHIN PENNIES OF THE PAST 2 DAYS HIGHS. A POSITIVE TONE TO THE MARKET IS COMING FROM THE BOXED BEEF MARKET. CHOICE BEEF WAS UP \$1.10 AND SELECT WAS UP \$.44. CHOICE WAS \$316.93. A WEEK AGO IT WAS \$315.81. STRENGTH IS COMING FROM THE HIGHER RIB AND LOIN PRIMALS. WITH BEEF IMPORTS UP 19% IT COULD WEIGH ON CHUCK AND ROUND PRIMALS. A YEAR AGO FOR LABOR DAY THESE PRODUCTS LEAD THE BEEF MARKET HIGHER. BEEF TOTAL MOVEMENT REMAINS LIGHT. TUESDAY TOTAL MOVEMENT WAS 138 LOADS. PACKERS ARE KEEPING KILL DOWN AND TO KEEP KILL AT A MINIMUM. CARCASS WEIGHTS COMPARED TO A YEAR AGO ARE UP 36.4 POUNDS AND GRADE IS MOVING HIGHER INDICATING CATTLE ARE STAYING IN THE FEEDLOTS.

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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 13TH WAS \$191.54. AUGUST LIVE CATTLE FUTURES SETTLED AUGUST 13TH AT \$184.00

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NATIONAL WEEKLY FED CATTLE COMPREHENSIVE REPORT AUGUST 13, 2024

AS OF AUGUST 13 2024, DRESSED STEER AND HEIFER CARCASSES AVERAGED 901.4 POUNDS, UP 7.1 POUNDS FROM PREVIOUS WEEK, AND UP 36.4 POUNDS FROM A YEAR AGO. THE GRADING PERCENT AS OF 08/13/2024 WAS 83.2% COMPARED TO PREVIOUS WEEK AT 82.4%. ON AUGUST15, 2023 CARCASSES WEIGHED 865.0 POUNDS AND GRADED WAS 81.00%.

[HTTPS://WWW.AMS.USDA.GOV/MNREPORTS/AMS_2700.PDF](https://www.ams.usda.gov/mnreports/ams_2700.pdf)

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STERLING MARKETING BEEF MARGINS WEEK ENDING AUGUST 10, 2024

PACKER MARGIN (\$ /HEAD (\$127.37 LAST WEEK (\$135.55) MONTH AGO (\$92.92) YEAR AGO (\$219.51)

FEEDLOT MARGINS: \$246.38 LAST WEEK \$313.40 MONTH AGO \$368.29 YEAR AGO \$444.52

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](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:	1481	\$191.54	33,310
LIVE HEIFER:	1342	\$191.07	12,945
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 – NO REPORTABLE TRADE
DRESSED DELIVERED – NO REPORTABLE TRADE
LIVE DELIVERED NO REPORTABLE TRADE
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 -
DECEMBER 2024 LIVEE CATTLE –
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FEEDER CATTLE

CME FEEDER INDEX ON 08/12/2024 WAS 245.09 DOWN 48 CENTS FROM PREVIOUS DAY

AUGUST 2024 FEEDER CATTLE ON AUGUST 13, 2024 AT \$246.47

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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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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 -
NOVEMBER 2024 FEEDER CATTLE -

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HOGS

USDA ESTIMATED FEDERAL HOG SLAUGHTER

AUGUST 13, 2024	483,000
WEEK AGO	411,000
YEAR AGO	465,578
WEEK TO DATE	893,000

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PREVIOUS WEEK 954,000
 2023 WEEK TO DATE 891,069
 2024 YEAR TO DATE 76,310,654
 2023 *YEAR TO DATE 75,384,051
 YEAR TO DATE PERCENT CHANGE 1.1%
[HTTPS://WWW.AMS.USDA.GOV/MNREPORTS/AMS_3208.PDF](https://www.ams.usda.gov/mnreports/ams_3208.pdf)

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CME LEAN HOG INDEX ON 08/09/2024 WAS 90.92 DOWN 98 CENTS FROM PREVIOUS DAY

CME PORK CUTOUT INDEX 08/12/2024 AT 99.79 DOWN 68 CENTS FROM PREVIOUS DAY

THE CME LEAN HOG INDEX IS MINUS \$8.87 TO THE CME PORK INDEX 08/13/2024

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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 = \$90.92

AUGUST 2024 LEAN HOGS AS OF AUGUST 12, 2024 = \$89.90

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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.

ALL CASH HOG NEGOTIATED PRICES ARE BELOW \$90.00. THE SIMPLE WEIGHTED AVERAGE PRICE IS \$87.70.

THE 5 DAY DAILY PORK CARCASS PRICE DROPPED TO \$99.29 . DURING JULY, THE CUTOUT AND HOG PRICES WERE STEADILY MOVING HIGHER. NOW IN AUGUST THEY ARE STEADILY MOVING LOWER. BUTTS, PICNICS AND RIBS SHOULD SHOW SOME UP MOVES IN AUGUST AS BUYERS INCREASE SUPPLIES FOR LABOR DAY. IT'S JUST NOT HAPPENING.

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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 TOOK 14,800 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 10 2024](#)

PACKER MARGINS \$16.64 LAST WEEK \$26.19 MONTH AGO \$1.35 YEAR AGO \$15.78

FARROW TO FINISH MARGINS \$37.84 LAST WEEK \$39.39 MONTH AGO \$43.65 YEAR AGO \$28.18

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 : 287.72

LOADS TRIM/PROCESS PORK : 46.20

2:00 PM	LOADS	CARCASS	LOIN	BUTT	PIC	RIB	HAM	BELLY
08/13/2024	333.92	100.33	98.31	107.20	77.06	122.02	95.81	139.66
CHANGE:		0.06	-0.66	-0.98	-1.00	0.38	-0.72	3.88
FIVE DAY AVERAGE		99.29	97.18	106.77	77.25	120.44	97.22	133.80

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

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HOG REPORT - PLANT DELIVERED PURCHASE AUGUST 13, 2024

NATIONAL NEGOTIATED PRICE

HEAD COUNT 12,645
LOWEST PRICE: 73.00
HIGHEST PRICE: 86.50
WEIGHTED AVERAGE 83.17
CHANGE FROM PREVIOUS DAY 0.69 HIGHER

OTHER MARKET FORMULA (CARCASS)

HEAD COUNT: 27,104
LOWEST BASE PRICE: 82.30
HIGHEST BASE PRICE: 105.22
WEIGHTED AVERAGE PRICE: 88.78

SWINE/PORK MARKET FORMULA (CARCASS)

HEAD COUNT 180,022
LOWEST BASE PRICE: 80.10
HIGHEST BASE PRICE: 94.55
WEIGHTED AVERAGE PRICE 88.99

OTHER PURCHASE ARRANGEMENT (CARCASS)

HEAD COUNT: 64,072
LOWEST BASE PRICE: 77.85
HIGHEST BASE PRICE: 104.11
WEIGHTED AVERAGE PRICE 89.09

[HTTPS://WWW.AMS.USDA.GOV/SITES/DEFAULT/FILES/MEDIA/LMRSWINEREPORTINGHANDOUT.PDF](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](https://www.ams.usda.gov/mnreports/ams_2511.pdf)

SLAUGHTER DATA – AUGUST 12 2024

****PRODUCER SOLD:**

HEAD COUNT 230,578
AVERAGE LIVE WEIGHT 278.14
AVERAGE CARCASS WEIGHT 207.98

PACKER SOLD:

HEAD COUNT 36,079
AVERAGE LIVE WEIGHT 279.41
AVERAGE CARCASS WEIGHT 209.00

PACKER OWNED:
HEAD COUNT 176,360
AVERAGE LIVE WEIGHT 273.49
AVERAGE CARCASS WEIGHT 209.24

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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 –
DECEMBER 2024 LEAN HOGS –

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CHARTS FROM ESIGNAL INTERACTIVE, INC.

CHRISTOPHER LEHNER CHRIS.LEHNER@ADMIS.COM 312 242 7942 913.787.6804