TUESDAY MORNING SEPTEMBER 17, 2024 LIVESTOCK REPORT

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CATTLE

SEPTEMBER 16, 2024	121,000
WEEK AGO	114,000
YEAR AGO	120,948
2024 YEAR TO DATE	22,190,435
2023 YEAR TO DATE	23,122,279
PERCENT CHANGE YEAR TO DATE	-4.0%

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

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2:00 PM SEPTEMBER 16, 2024

BOXED BEEF	CHOICE	SELECT
CURRENT CUTOUT VALUES:	304.57	292.14
CHANGE FROM PRIOR DAY:	(0.34)	(2.03)
CHOICE/SELECT SPREAD:	12.43	
TOTAL LOAD COUNT (CUTS, TRIMMINGS, GRINDS):	134	
5 DAY SIMPLE AVERAGE:	307.24	295.94

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CME BOXED BEEF INDEX ON 09/13/2024 WAS 304.92 DOWN 73 CENTS FROM PREVIOUS DAY

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2:00 PM SEPTEMBER 16, 2024

PRIMAL RIB	484.77	448.22
PRIMAL CHUCK	270.14	262.74
PRIMAL ROUND	264.75	263.97
PRIMAL LOIN	364.88	338.32

PRIMAL BRISKET	242.99	237.97
PRIMAL SHORT PLATE	209.87	209.87
PRIMAL FLANK	209.87	209.87

2:00 PM SEPTEMBER 13, 2024

PRIMAL RIB	485.10	447.12
PRIMAL CHUCK	266.77	270.39
PRIMAL ROUND	266.96	263.58
PRIMAL LOIN	366.30	336.31
PRIMAL BRISKET	247.21	236.23
PRIMAL SHORT PLATE	213.59	213.59
PRIMAL FLANK	170.93	176.50

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LOAD COUNT AND CUTOUT VALUE SUMMARY

DATE	CHOICE	SELECT	TRIM	GRINDS	TOTAL		
09/13	100	14	6	38	158	304.91	294.17
09/12	98	17	5	16	136	307.18	295.64
09/11	109	28	4	21	162	307.36	294.38
09/10	90	24	9	23	147	308.23	297.01
09/09	71	38	14	17	141	308.52	298.49
09/06	95	16	4	20	135	309.41	296.12

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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.

SEPTEMBER 16, 2024 FINAL

CHOICE CUTS	82.30 LOADS	3,291,808 POUNDS
SELECT CUTS	13.93 LOADS	557,231 POUNDS
TRIMMINGS	5.09 LOADS	203,755 POUNDS
GROUND BEEF	32.99 LOADS	1,319,787 POUNDS

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USDA REPORTS FOR SEPTEMBER 2024

FRIDAY, SEPTEMBER 20, 2024 - CATTLE ON FEED REPORT
THURSDAY, SEPTEMBER 26, 2024 – QUARTERLY HOGS AND PIGS REPORT
THURSDAY, SEPTEMBER 26, 2024 – COLD STORAGE REPORT

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CALVES, COWS, CORN AND HAY

Last week I drove from south of Kansas City, Kansas to Squaw Lake, Minnesota. It is Interstate 35 the entire way about 1400 miles round trip. It is a boring drive, almost all crops on both sides of the road. To break it up, I get off the interstate and took country roads. This year I added about 475 miles.

From Kansas to northern Minnesota the corn crop is thick and even. It's the best looking crop and the most even crop I have seen. There was some silage being cut but hardly any combining. When harvest gets going, it's going to happen essentially at the same time north to south. It is easy to see there is a lot more corn than soybeans this year. Also, I can't recall seeing as much hay as I did this year. Square bales, stacks on stacks and round bales placed the length of fields and still baling with good looking hay happening late in the summer. The beans looked good, but not as good as the corn and it was easy to see there is more corn. It appears crop rotation was skipped on many farms. 2024 is the year of grain

I did see more lighter calves on grass and first time heifers mixed with older cows. Early spring 2025 U.S. feed usage will see an increase. Cheap feed is also going to encourage heavier cattle. There is the adage: high prices for corn mean higher prices for cattle. In 2025, the opposite will begin to happen.

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PACKERS ARE BUYING JUST ENOUGH CATTLE TO MEET THEIR CONTRACT BEEF ORDERS AND ORDERS TO FILL DAILY NEEDS. HOWEVER, IT APPEARS, THEY ARE GETTING IN TOO MANY CATTLE AND MORE THAN LIKELY ARE FROM BEEF CONTRACTS THAT HAVE BEEN CANCELLED. IF PACKERS WANTED MORE CATTLE AND WITH INCREASING WEIGHTS ALL THEY NEED TO DO IS TO TAKE A FEW MORE CATTLE. AFTER ALL, CATTLE WEIGHTS ARE UP OVER 37 POUNDS FROM A YEAR AGO. BUT PACKERS DON'T WANT TO INCREASE KILL AND HAVE BEEF PRICES DROP. THEY HAVE A BENEFIT WITH THE ALLOWANCE OF KILLING FEWER CATTLE WITH THE FEWER HOURS PAID WORKERS. PUSHING UP SLAUGHTER ADDS MORE BEEF AND MAKES PACKER PAY THE ADDITIONAL HOURS. KILLING FEWER CATTLE ALSO ADDS HIGHER GRADED CHOICE BEEF AND HEAVIER CARCASSES. IT'S A PLUS FOR THE PACKER.

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CASH CATTLE WERE HIGHER LAST WEEK ON LIGHT BUY. CASH IN THE MIDWEST WAS $1.00 HIGHER WITH SOME CATTLE BRINGING $2.00 HIGHER. DRESSED CATTLE AVERAGED $290 TO $291.00 WITH SEVERAL UP TO $294.00. SOUTHWEST CATTLE ON LIGHT SALES WERE STEADY AT $181.00.

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EXPORTS

FOR THE WEEK ENDING SEPTEMBER 5, 2024 EXPORTS WERE 11,400 MT DOWN 41% FROM THE 4 WEEK AVERAGE.

WEEK ENDING AUGUST 29, 2024	16,500 MT
WEEK ENDING AUGUST 22, 2024	17,200 MT
WEEK ENDING AUGUST 15, 2024	15,900 MT
WEEK ENDING AUGUST 8, 2024	28,100 MT

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NATIONAL WEEKLY FED CATTLE COMPREHENSIVE REPORT SEPTEMBER 10, 2024

AS OF SEPTEMBER 10, 2024, DRESSED STEER AND HEIFER CARCASSES AVERAGED 907.6 POUNDS, UP 3.1 POUNDS FROM PREVIOUS WEEK, AND UP 37.3 POUNDS FROM A YEAR AGO. THE GRADING PERCENT AS OF 09/10/2024 WAS 83.4% COMPARED TO PREVIOUS WEEK AT 83.4%.
HTTPS://WWW.AMS.USDA.GOV/MNREPORTS/AMS_2700.PDF

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STERLING MARKETING BEEF MARGINS WEEK ENDING AUGUST 31, 2024
PACKER MARGIN ($ /HEAD $10.43 LAST WEEK ($3.65) MONTH AGO ($135.76) YEAR AGO ($63.55)
FEEDLOT MARGINS: $38.46 LAST WEEK $95.00 MONTH AGO $313.40 YEAR AGO $389.49
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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USDA NATIONAL STEER & HEIFER ESTIMATED GRADING PERCENT REPORT
HTTPS://WWW.AMS.USDA.GOV/MNREPORTS/NW_LS196.TXT FULL REPORT

FOR WEEK ENDING: 9/07/2024

	NEBRASKA	KANSAS	TEXAS
PRIME	9.91%	8.05%	6.74%
CHOICE	73.94%	76.08%	66.39%
SELECT	10.27%	12.76%	23.81%
OTHER	5.87%	3.12%	3.06%

FOR WEEK ENDING: 8/31/2024

	NEBRASKA	KANSAS	TEXAS
PRIME	9.01%	8.56%	5.96%
CHOICE	72.26%	77.13%	60.62%
SELECT	14.77%	11.10%	23.48%
OTHER	3.95%	3.21%	9.94%

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*****NATIONAL DAILY DIRECT CATTLE 09/16/2024**
5 DAY ACCUMULATED WEIGHTED AVG

	WEIGHT	PRICE	HEAD
LIVE STEER:	1481	$182.58	24,555
LIVE HEIFER:	1327	$181.89	11,879
DRESSED STEER	955	$290.63	11,145
DRESSED HEIFER:	862	$289.93	2,069

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USDA POSTED SUMMARY CATTLE PRICES ON 09/16/2024
STEER AND HEIFER COMBINED PRICES UNLESS NOTED

IA/MN – CASH FOB – 183.00-184.00 ON 918 STEERS, AVE PRICE 183.44
DRESSED DELIVERED – NO REPORTABLE TRADE
LIVE DELIVERED - NO REPORTABLE TRADE
DRESSED FOB - NO REPORTABLE TRADE

NE – CASH FOB - 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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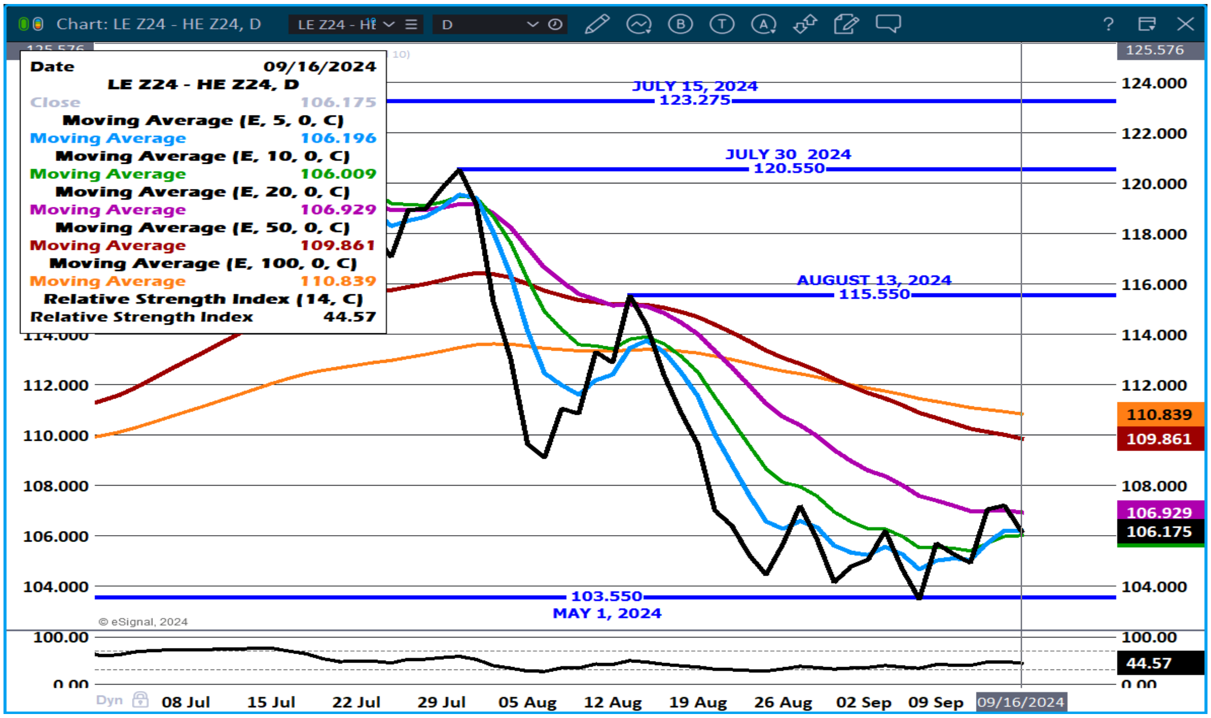
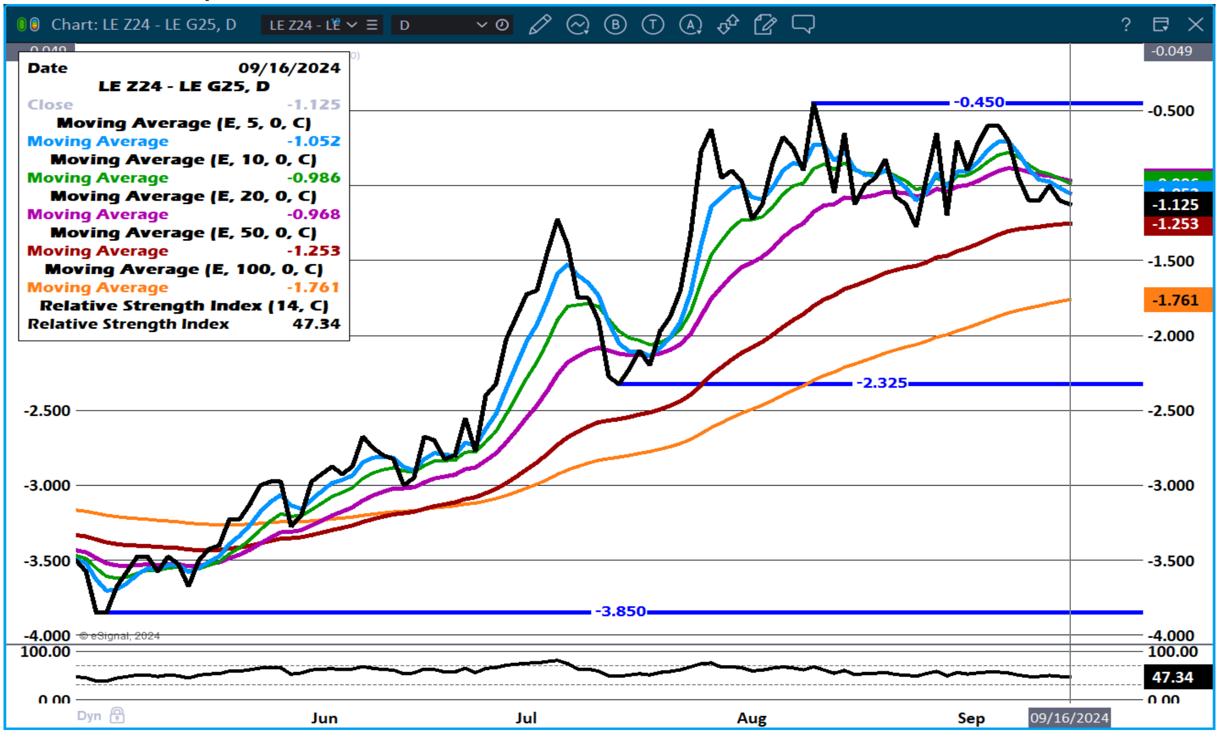
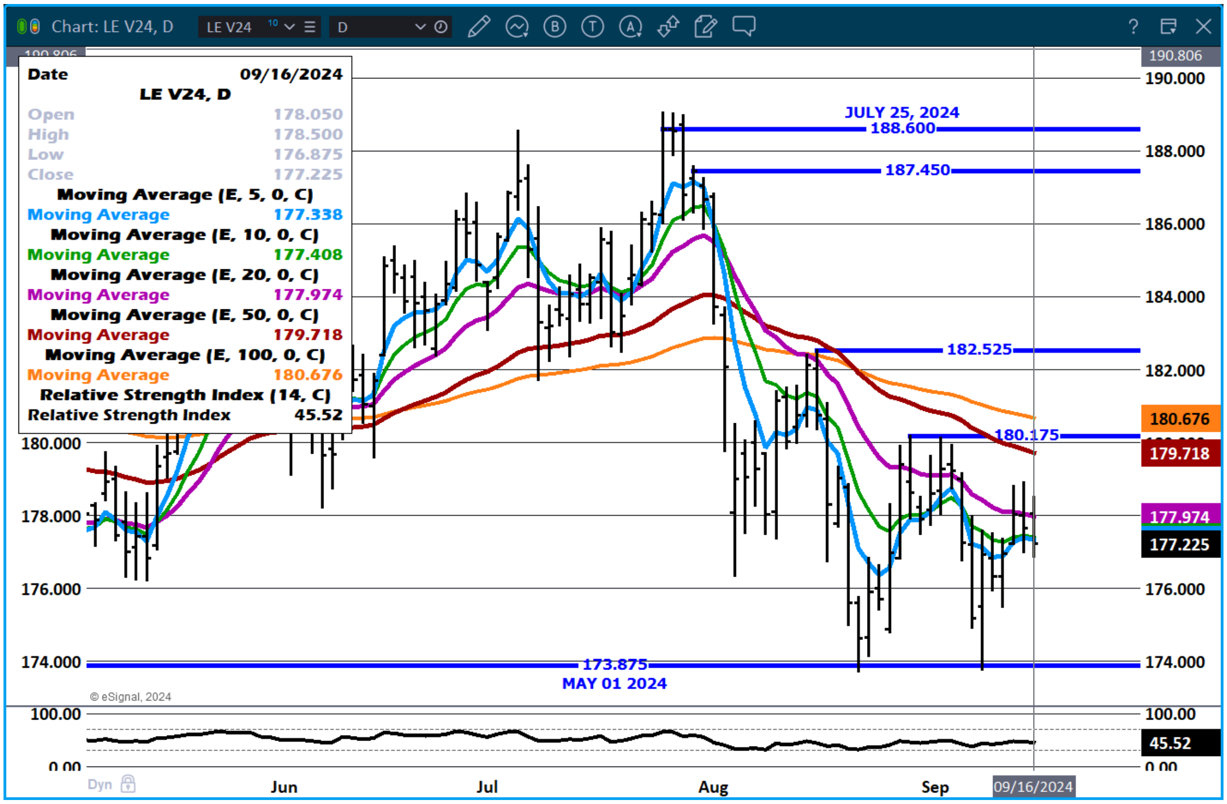
DECEMBER LIVE CATTLE/DECEMBER LEAN HOG SPREAD – SPREAD IS OVER COF REPORT AND HOGS AND PIGS REPORT THIS MONTH BOTH TO BE ON THE BEARISH SIDE



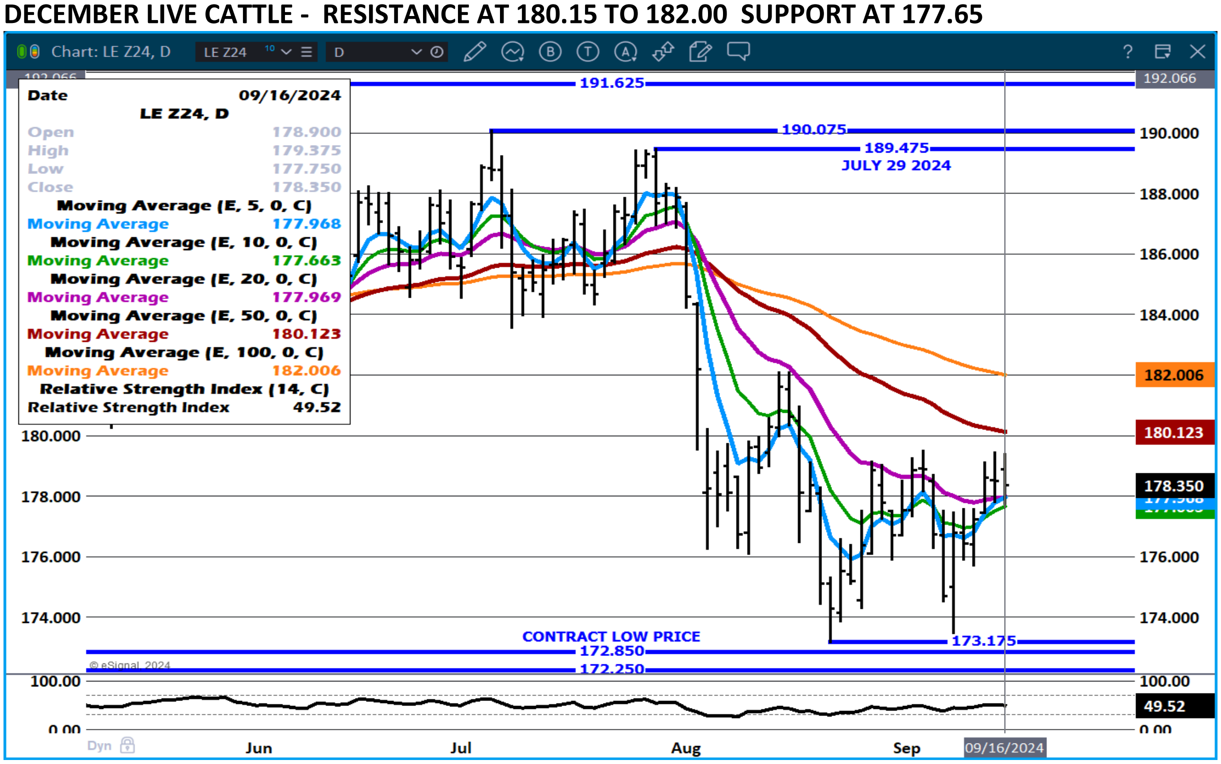
DECEMBER 2024/FEBRUARY 2025 LIVE CATTLE – BEAR SPREAD.



OCTOBER LIVE CATTLE – RESISTANCE AT 180.75 SUPPORT AT 176.00



DECEMBER LIVE CATTLE - RESISTANCE AT 180.15 TO 182.00 SUPPORT AT 177.65



FEEDER CATTLE

CME FEEDER INDEX ON 09/13/2024 WAS 242.68 DOWN 64 CENTS FROM PREVIOUS DAY

SEPTEMBER 2024 FEEDER CATTLE SETTLED ON SEPTEMBER 16, 2024 AT $241.30
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FEEDER CATTLE ARE BULL SPREAD. THE MAJORITY OF FEEDERS ARE PREVIOUSLY CONTRACTED, THE CATTLE AVAILABLE ARE STILL SCARCE, BUT IT WILL CHANGE. THERE IS A LOT OF FORAGE THIS YEAR AND COW/CALF PRODUCERS FROM THE MOUNTAIN STATES , NORTHERN PLAINS AND CANADA HAVE HAD PROFITABLE YEARS. LIGHTER FEEDER CATTLE WILL BEGIN TO SHOW IN LARGER NUMBERS THIS FALL.
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NATIONAL FEEDER & STOCKER CATTLE SUMMARY - WEEK ENDING 09/14/2024

RECEIPTS:	AUCTIONS	DIRECT	VIDEO/INTERNET	TOTAL
THIS WEEK:	220,300	50,400	39,700	310,400
LAST WEEK:	125,900	36,000	54,700	216,600
YEAR AGO:	226,700	53,100	32,600	312,400

COMPARED TO LAST WEEK, SEVERAL OF THE MAJOR MARKETS AS JOPLIN AND OKLAHOMA CITY SOLD TWO WEEKS' WORTH OF RECEIPTS AS THEY WERE CLOSED THE WEEK BEFORE FOR LABOR DAY ALONG WITH SEVERAL OTHER LARGE MARKETS THAT ARE COMPARED TO TWO WEEKS AGO FEEDERS WERE MAINLY LOWER TRADING MOSTLY 4.00-8.00 LOWER SPOTS 10.00 LOWER. IN MOST CASES CALVES UNDER 600 LBS TOOK THE MAJOR PRICE DECLINES.

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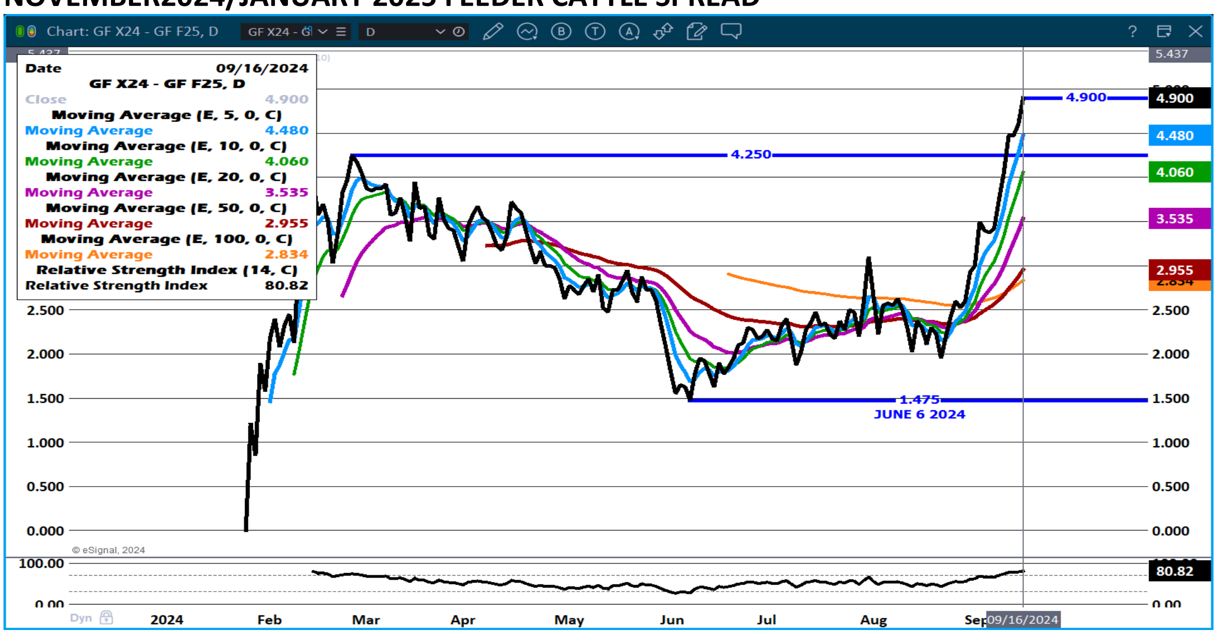
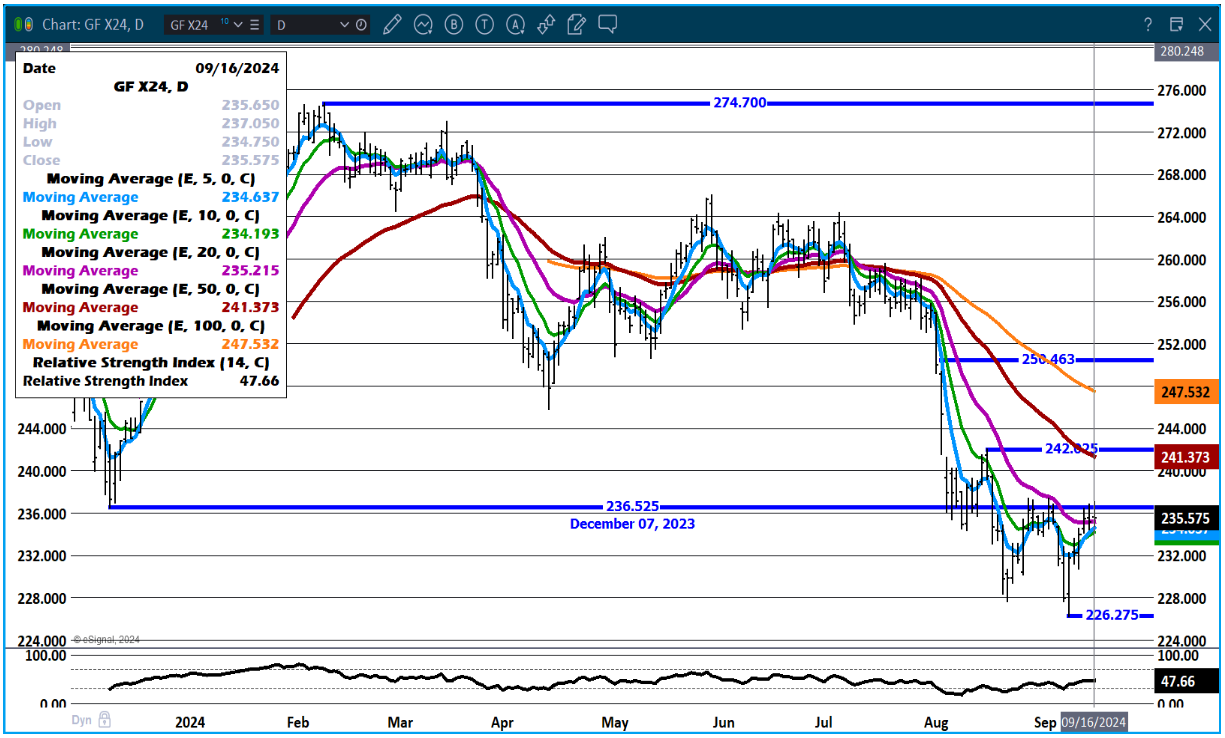
NOVEMBER2024/JANUARY 2025 FEEDER CATTLE SPREAD



NOVEMBER 2024 FEEDER CATTLE - CAN'T SEEM TO MOVE MUCH HIGHER THAN LAST DECEMBER 2023 LOW.



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HOGS

USDA ESTIMATED FEDERAL HOG SLAUGHTER

REVISION FRIDAY SEEPTEMBER 13, 2024 **474,000 PREVIOUS 480,000**
REVISION FOR THE WEEK **2,565,000 PREVIOUS 2,571,000**

SEPTEMBER 16, 2024	**486,000**
WEEK AGO	**486,000**
YEAR AGO	**487,021**
2024 YEAR TO DATE	**90,616,491**
2023 *YEAR TO DATE	**89,440,753**
YEAR TO DATE PERCENT CHANGE	**1.3%**

HTTPS://WWW.AMS.USDA.GOV/MNREPORTS/AMS_3208.PDF
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CME LEAN HOG INDEX ON 09/12/2024 WAS 84.87 DOWN 48 CENTS FROM PREVIOUS DAY

CME PORK CUTOUT INDEX 09/13/2024 AT 94.25 DOWN 52 CENTS FROM PREVIOUS DAY

THE CME LEAN HOG INDEX IS MINUS $9.38 TO THE CME PORK INDEX 09/16/2024
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CME LEAN HOG INDEX AS OF SEPTEMBER 12, 2024 = $84.87

OCTOBER 2024 LEAN HOGS AS OF SEPTEMBER 16, 2024 = $79.92
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AS OF OCTOBER 13, 2024 THE LEAN HOG INDEX IS $4.92 OVER THE OCTOBER CONTRACT. THERE PLENTY OF TIME BEFORE EXPIRATION AND THE NEED TO CONVERGE, BUT WITH THE DROP IN THE CASH HOG MARKET AND THE LOWER PORK CARCASS PRICE, LOOK FOR THE FURTHERCORRECTION IN THE INDEX.

LAST WEEK THE CASH 5 DAY AVERAGE WAS DOWN $2.17 . FROM DECEMBER ON OUT HOGS ARE BEAR SPREAD. LAST WEEK LIVE CATTLE STARTED TO GAIN ON LEAN HOGS.

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AS HOGS MOVE FROM SUMMER WEATHER INTO THE COOLER FALL TEMPERATURS, CARCASS WEIGHTS WILL IMPROVE.

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EXPORTS
WEEK ENDING SEPTEMBER 5, 2024 NET EXPORTS WERE 29,700 MT. UP 15% ON THE 4 WEEK AVERAGE

WEEK ENDING AUGUST 29, 2024 NET EXPORTS WERE 16,500 MT
WEEK ENDING AUGUST 22, 2024 NET EXPORTS WERE 42,200 MT
WEEK ENDING AUGUST 15, 2024 NET EXPORTS WERE 19,300 MT
WEEK ENDING AUGUST 8, 2024 NET EXPORTS WERE 20,900 MT
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STERLING PORK PROFIT TRACKER WEEK ENDING - AUGUST 31 2024
PACKER MARGINS $21.35 LAST WEEK $14.00 MONTH AGO $25.95 YEAR AGO $9.04
FARROW TO FINISH MARGINS $21.13 LAST WEEK $31.41 MONTH AGO $39.20 YEAR AGO ($1.10)
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 : 286.40
LOADS TRIM/PROCESS PORK : 26.02

2:00 PM	LOADS	CARCASS	LOIN	BUTT	PIC	RIB	HAM	BELLY
09/16/2024	312.41	94.22	94.69	105.59	81.36	127.30	82.45	125.07
CHANGE:		0.32	1.48	0.95	1.66	4.41	-3.24	0.05
FIVE DAY AVERAGE		94.00	94.27	105.39	79.42	123.32	85.03	124.01

11:00 AM	LOADS	CARCASS	LOIN	BUTT	PIC	RIB	HAM	BELLY
09/16/2024	208.20	94.99	97.49	105.66	81.97	128.67	81.56	125.91
CHANGE:		1.09	4.28	1.02	2.27	5.78	-4.13	0.89
FIVE DAY AVERAGE		94.16	94.83	105.40	79.54	123.59	84.85	124.18

2:00 PM	LOADS	CARCASS	LOIN	BUTT	PIC	RIB	HAM	BELLY
09/13/2024	321.59	93.90	93.21	104.64	79.70	122.89	85.69	125.02
CHANGE:		0.28	-1.28	-1.10	2.70	0.53	0.56	-1.77
FIVE DAY AVERAGE		94.30	94.62	105.56	79.27	122.66	86.34	123.41

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HOG REPORT - PLANT DELIVERED PURCHASE SEPTEMBER 16, 2024

NATIONAL NEGOTIATED PRICE
HEAD COUNT 3,684
LOWEST PRICE: 75.00
HIGHEST PRICE: 79.00
WEIGHTED AVERAGE 76.96
CHANGE FROM PREVIOUS DAY 0.96 HIGHER

OTHER MARKET FORMULA (CARCASS)
HEAD COUNT: 40,895
LOWEST BASE PRICE: 67.99
HIGHEST BASE PRICE: 88.49
WEIGHTED AVERAGE PRICE: 76.76

SWINE/PORK MARKET FORMULA (CARCASS)
HEAD COUNT 193,572
LOWEST BASE PRICE: 73.64
HIGHEST BASE PRICE 87.87
WEIGHTED AVERAGE PRICE 82.77

OTHER PURCHASE ARRANGEMENT (CARCASS)
HEAD COUNT: 100,249
LOWEST BASE PRICE: 75.57
HIGHEST BASE PRICE: 103.37
WEIGHTED AVERAGE PRICE 83.22
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 – FRIDAY, SEPTEMBER 13, 2024 AND SATURDAY, SEPTEMBER 14, 2024

**PRODUCER SOLD:
HEAD COUNT 298,240
AVERAGE LIVE WEIGHT 284.01
AVERAGE CARCASS WEIGHT 212.62

PACKER SOLD:
HEAD COUNT 41,424
AVERAGE LIVE WEIGHT 282.71
AVERAGE CARCASS WEIGHT 212.65

PACKER OWNED:
HEAD COUNT 249,106
AVERAGE LIVE WEIGHT 281.80
AVERAGE CARCASS WEIGHT 215.07

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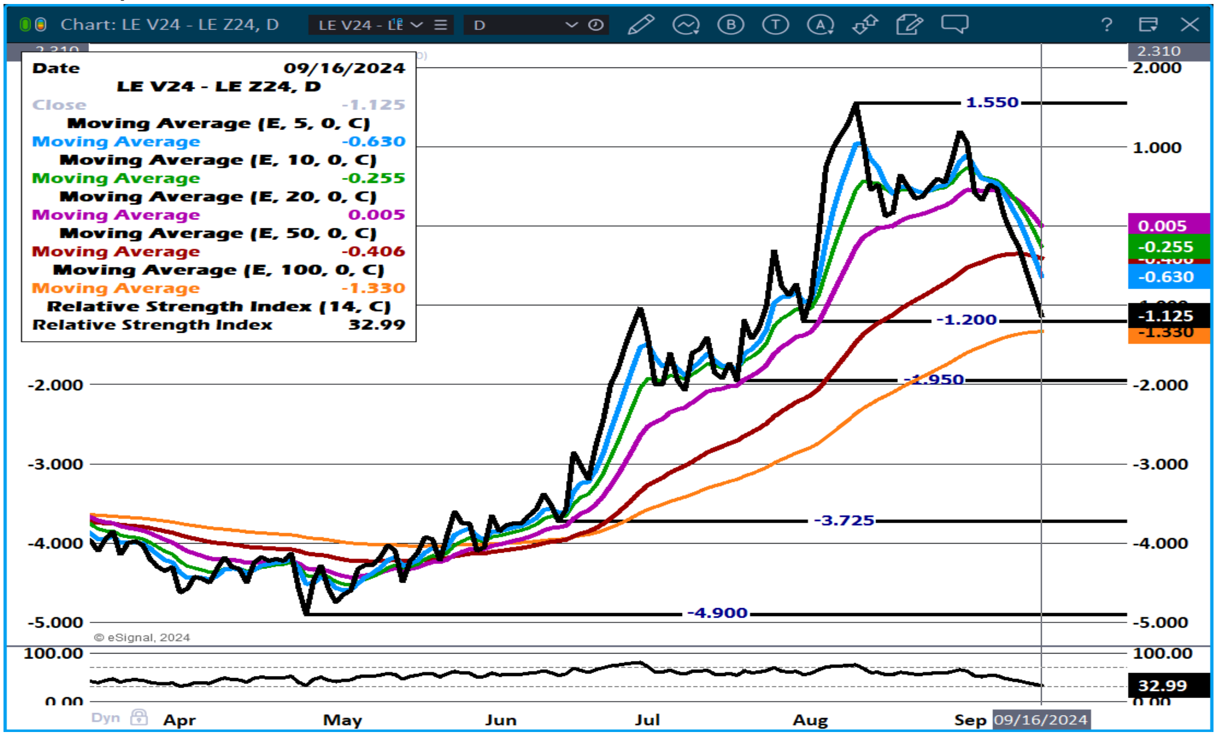
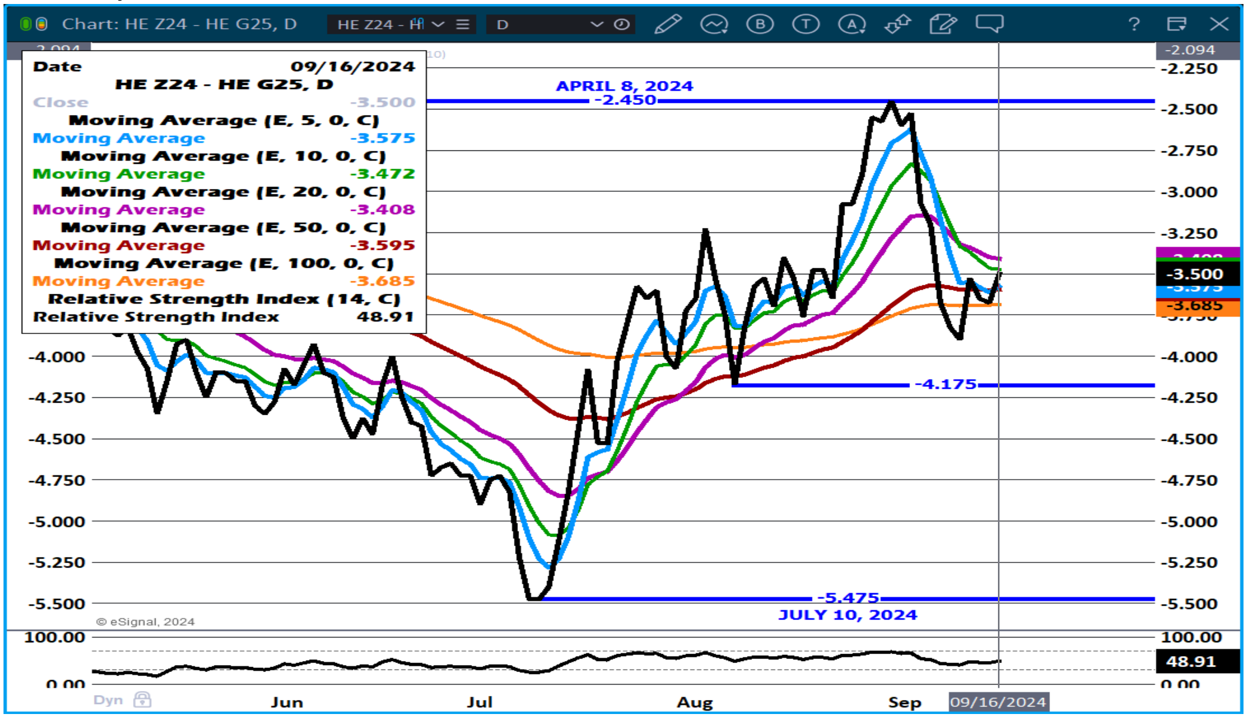
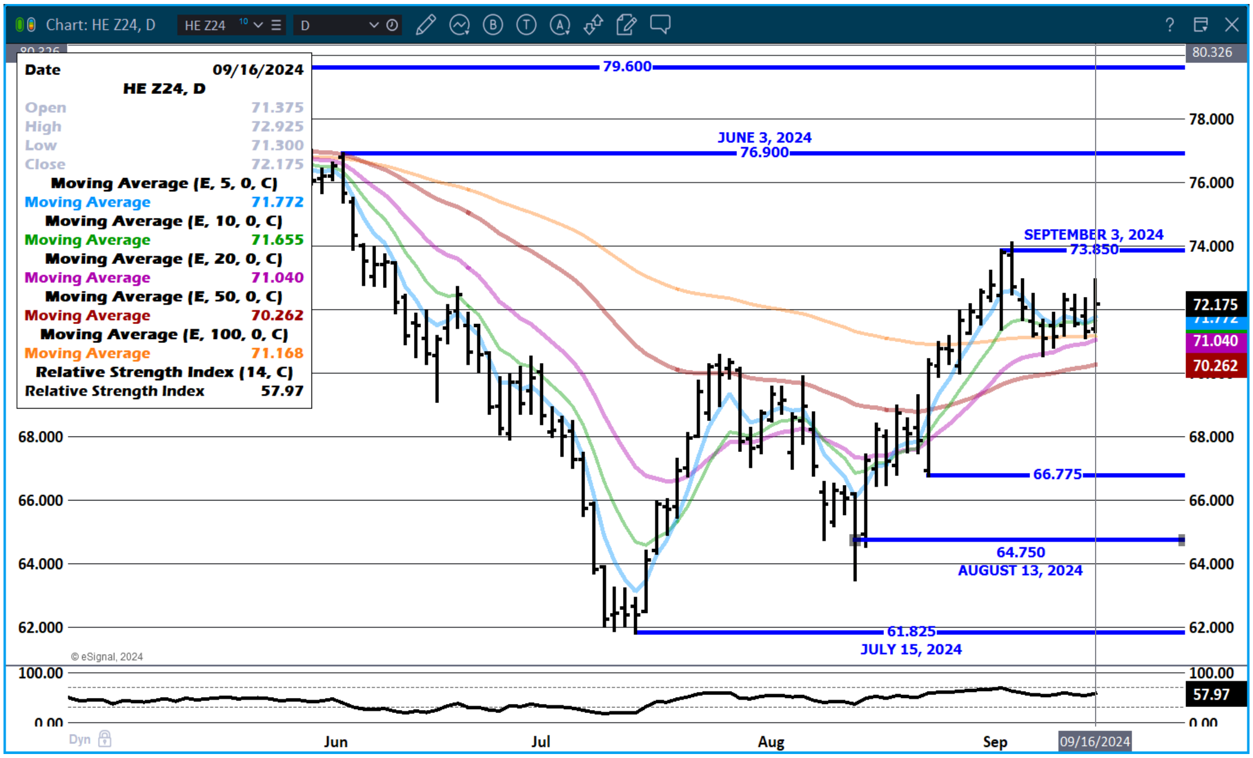
OCTOBER/DECEMBER LEAN HOG SPREAD – LOST BULL SPREAD



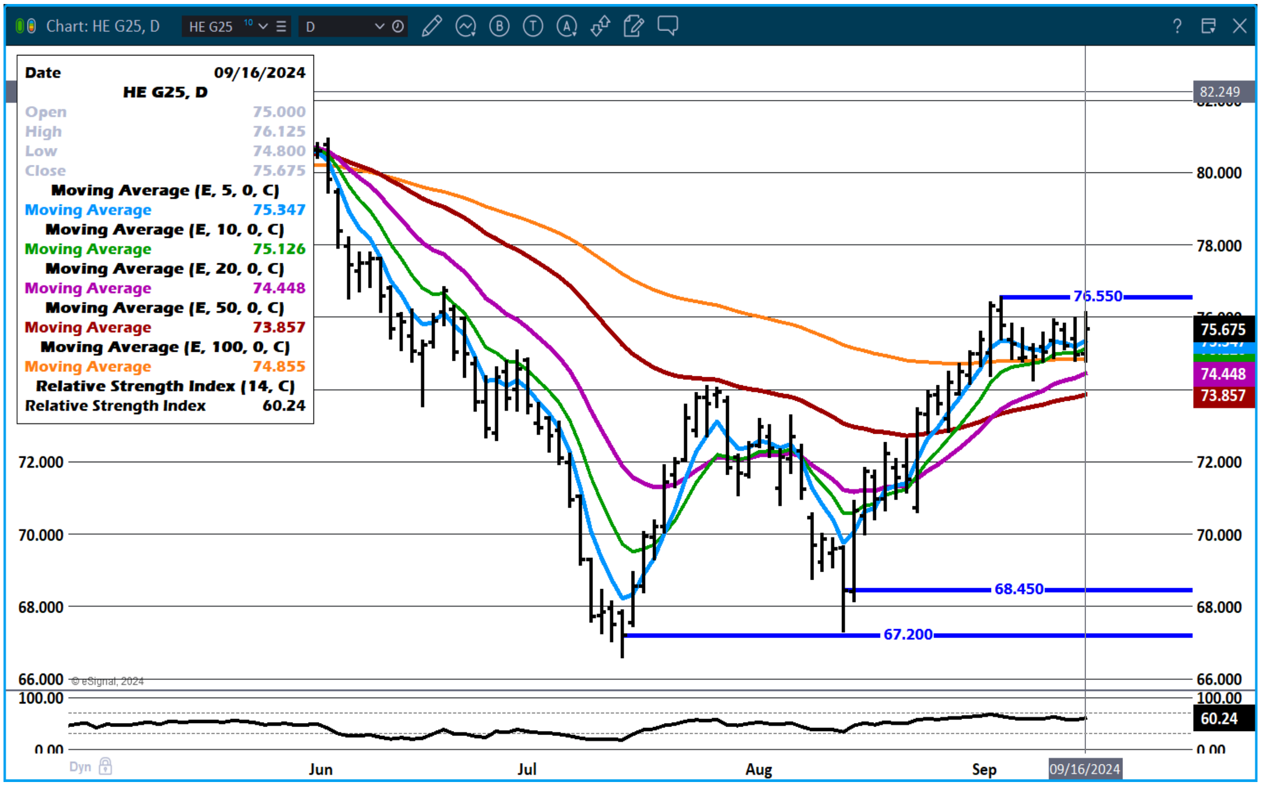
DEC 2024/FEB 2025 EAN HOG SPREAD - IT IS BEAR SPREAD AND WILL REMAIN BEAR SPREAD



DECEMBER 2024 LEAN HOGS- RESISTANCE 74.00 TO 76.90 SUPPORT AT 71.15 TO 66.75



FEBRUARY 2025 LEAN HOGS - PAST TWO WEEKS MOVING SIDEWAYS



ALL CHARTS PROVIDED BY ESIGNAL INTERACTIVE

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