



ADM Investor
Services, Inc.



Daily Futures Market Commentary Livestock Outlook

MONDAY MORNING SEPTEMBER 23, 2024 LIVESTOCK REPORT
CHRIS LEHNER, SENIOR LIVESTOCK ANALYST | 312.242.7942 | CHRIS.LEHNER@ADMIS.COM

CATTLE ON FEED REPORT ON PAGE 3

CATTLE

SEPTEMBER 20, 2024	108,000
WEEK AGO	118,000
YEAR AGO	113,386
SATURDAY 09/21/2024	9,000 WEEK AGO 17,000, YEAR AGO
12,841	
WEEK TO DATE (EST)	610,000
SAME PERIOD LAST WEEK (EST)	620,000
SAME PERIOD LAST YEAR (ACT)	626,639
2024 YEAR TO DATE	22,685,240
2023 YEAR TO DATE	23,627,970
PERCENT CHANGE YEAR TO DATE	-4.0% PRIOR WEEK -4.1%
YEAR TO DATE PER HEAD CHANGE	--942,730 PRIOR WEEK -931,896

[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 SEPTEMBER20, 2024

BOXED BEEF	CHOICE	SELECT
CURRENT CUTOUT VALUES:	300.19	288.59
PREVIOUS WEEK	304.91	294.17
CHANGE FROM PRIOR DAY:	0.63	0.33
CHOICE/SELECT SPREAD:		11.60
TOTAL LOAD COUNT (CUTS, TRIMMINGS, GRINDS):		130
5 DAY SIMPLE AVERAGE:	302.87	291.31

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CME BOXED BEEF INDEX ON 09/19/2024 WAS 300.41 DOWN 1.59 FROM PREVIOUS DAY
CME BOXED BEEF INDEX ON 09/12/2024 WAS 305.65

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2:00 PM SEPTEMBER 20, 2024

PRIMAL RIB	479.36	435.28
PRIMAL CHUCK	269.13	264.98
PRIMAL ROUND	262.19	261.97
PRIMAL LOIN	358.05	334.07
PRIMAL BRISKET	234.80	229.61
PRIMAL SHORT PLATE	200.05	200.05
PRIMAL FLANK	160.02	161.66

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LOAD COUNT AND CUTOUT VALUE SUMMARY

DATE	CHOICE	SELECT	TRIM	GRINDS	TOTAL		
09/19	117	23	5	25	170	299.56	288.26
09/18	108	43	8	18	176	301.38	289.75
09/17	106	27	13	11	156	303.91	292.22
09/16	82	14	5	33	134	304.57	292.14
09/13	100	14	6	38	158	304.91	294.17 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.

SEPTEMBER 20, 2024 FINAL

CURRENT VOLUME - (ONE LOAD EQUALS 40,000 POUNDS)

CHOICE CUTS	84.30 LOADS	3,372,156 POUNDS
SELECT CUTS	15.08 LOADS	603,101 POUNDS
TRIMMINGS	6.75 LOADS	269,902 POUNDS
GROUND BEEF	23.81 LOADS	952,458 POUNDS

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USDA REPORTS FOR SEPTEMBER 2024

THURSDAY, SEPTEMBER 26, 2024 – QUARTERLY HOGS AND PIGS REPORT

THURSDAY, SEPTEMBER 26, 2024 – COLD STORAGE REPORT

MONDAY, OCTOBER 7, 2024 IS FIRST NOTICE DAY FOR OCTOBER 2024 LIVE CATTLE

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USDA CATTLE ON FEED REPORT – SEPTEMBER 20, 2024

	Range	Average	Actual	Actual Head	Est
On feed September1	100.1-102	100.9	101	11.095	11.194
Placements in August	93.5-102.3	99.0	99	1.975	1.983
Marketings in August	96-97.5	96.6	96	1.818	1.82

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United States Cattle on Feed Up 1 Percent

Cattle and calves on feed for the slaughter market in the United States for feedlots with capacity of 1,000 or more head totaled 11.2 million head on September 1, 2024. The inventory was 1 percent above September 1, 2023

Placements in feedlots during August totaled 1.98 million head, 1 percent below 2023. Net placements were 1.92 million head. During August, placements of cattle and calves weighing less than 600 pounds were 395,000 head, 600-699 pounds were 305,000 head, 700-799 pounds were 435,000 head, 800-899 pounds were 485,000 head, 900-999 pounds were 265,000 head, and 1,000 pounds and greater were 90,000 head.

Marketings of fed cattle during August totaled 1.82 million head, 4 percent below 2023.

Other disappearance totaled 54,000 head during August, 2 percent below 2023.

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The report was right in line with expectations. The report won't impact markets on Monday. Traders are focusing on falling boxed beef prices versus anticipation of increasing demand for beef going into the 4th quarter.

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THE COMING WEEK CATTLE PRICES WILL DEPEND ON HOW BOXED BEEF PRICES DO. ON AUGUST 23RD CHOICE BEEF WAS \$317.34 COMPARED TO THE CURRENT PRICE AT \$300.19 AND SELECT BEEF WAS \$300.46 COMPARED TO THE CURRENT PRICE \$288.59. PACKERS ARE KEEPING SLAUGHTER DOWN WHILE THEY ARE LETTING WEIGHTS INCREASE PLUS CONTINUING TO IMPORT INCREASING AMOUNTS OF BEEF.

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OCTOBER 2024 LIVE CATTLE SETTLED ON SEPTEMBER 20, 2024 AT 182.47. THE 5 DAY NEGOTIATED STEER PRICE WAS \$182.97.

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PACKERS PAID \$2.00 HIGHER LAST WEEK FOR CASH CATTLE ON LIMITED AMOUNT SUGGESTING THE COMING WEEK IS GOING TO BE ANOTHER LIGHT KILL. CATTLE IN THE MIDWEST WERE MOSTLY \$183.00 TO \$185.00 WITH A FEW LIVE DELIVERED CATTLE UP TO \$187.00 DRESSED CATTLE WERE MOSTLY \$292.00. CATTLE IN THE SOUTHWEST WERE MOSTLY \$183.00. TEXAS TOTAL NEFGOTIATED SALES WERE ONLY 2,350 HEAD.

SLAUGHTER FOR THE WEEK WAS 610,00 HEAD DOWN 10,000 FOR THE WEEK AND 16,000 FEWER THAN A YEAR AGO. THE CME BOXED BEEF INDEX FELL \$3.54.

BEEF PRICES ARE DROPPING DAY AFTER DAY. MORE BEEF IS BEING MOVED ON THE DAILY MARKET. PACKERS WILL BACK OFF BUYING CATTLE. PACKERS WOULD RATHER SEE CATTLE WEIGHTS INCREASE THAN BUY EXTRA CATTLE. BEEF WHOLESALERS WANT LOWER U.S. BEEF PRICES AND WILL IMPORT MORE BEEF VERSUS BUYING MORE U.S. BEEF. SHOWLIST FEEDLOTS EXPECT HIGHER CASH TRADE THIS WEEK FEELING PACKERS ARE SHORT BOUGHT. MANY FEEDLOTS WILL KEEP CATTLE IN THE FEEDLOT IF THEY WON'T GET IT AND THE PACKER WILL BE FINE WITH FEEDLOTS KEEPING CATTLE. BEEF PRICES KEEP ON GOING DOWN SO AS LONG AS PACKERS CAN MEET THEIR CONTRACT BEEF ORDERS AND DON'T HAVE EXTRA BEEF TO SELL ON HE DAILY MARKET, THEY WON'T COMPLAIN IF FEEDLOTS HOLD CATTLE. A FEW LESS CATTLE WON'T HURT THE PACKER.

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EXPORTS

FOR THE WEEK ENDING SEPTEMBER 12, 2024 EXPORTS WERE 15,500 MT UP 2% FROM THE 4 WEEK AVERAGE. SOUTH KOREA TOOK 3700 MT, CHINA 3,000 MT AND JAPAN 2,900 MT. CANADA WITH 1,500 MT.

WEEK ENDING SEPTEMBER 5, 2024	11,400 MT
WEEK ENDING AUGUST 29, 2024	16,500 MT
WEEK ENDING AUGUST 22, 2024	17,200 MT
WEEK ENDING AUGUST 15, 2024	15,900 MT

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NATIONAL WEEKLY FED CATTLE COMPREHENSIVE REPORT SEPTEMBER 17, 2024

AS OF SEPTEMBER 17, 2024, DRESSED STEER AND HEIFER CARCASSES AVERAGED 912.6 POUNDS, UP 5.0 POUNDS FROM PREVIOUS WEEK, AND **UP 33 POUNDS** FROM A YEAR AGO. THE GRADING PERCENT AS OF 09/17/2024 WAS 82.6% COMPARED TO PREVIOUS WEEK AT 83.4% BUT UP 3% OVER A YEAR AGO.

[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 **SEPTEMBER 14, 2024**
PACKER MARGIN (\$ /HEAD \$33.23 LAST WEEK \$30.07 MONTH AGO **(\$57.65)** YEAR AGO **(\$122.86)**
FEEDLOT MARGINS:\$130.66 LAST WEEK \$143.25 MONTH AGO \$348.95 YEAR AGO \$438.56
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](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 09/20/2024**
5 DAY ACCUMULATED WEIGHTED AVG

	WEIGHT	PRICE	HEAD
LIVE STEER:	1506	\$182.97	21,225
LIVE HEIFER:	1351	\$182.43	8,114
DRESSED STEER	955	\$290.11	9,284
DRESSED HEIFER:	868	\$289.22	1,747

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USDA POSTED SUMMARY CATTLE PRICES ON 09/20/2024
STEER AND HEIFER COMBINED PRICES UNLESS NOTED

IA/MN – CASH FOB – 184.00-185.50 FOR 6,943 FOB STEERS, AVE PRICE 184.37
DRESSED DELIVERED – 290.00-292.50 ON 1,150 TOTAL HEAD AVE PRICE 290.76
LIVE DELIVERED - 184.00-187.00 ON 887 TOTAL HEAD AVE PRICE 186.69
DRESSED FOB - NO REPORTABLE TRADE

NE – CASH FOB - 183.00-184.50 ON 1,005 FOB STEERS AVE PRICE 183.98
DRESSED DELIVERED - 290.00-292.00 ON 6362 TOTAL HEAD AVE PRICE 290.94

KS – CASH – 182.00-183.00 ON 3670 STEERS AVE PRICE 182.88
LIVE DELIVERED - NO REPORTABLE TRADE.
DRESSED DELIVERED 289.00-290.00 ON 374 TOTAL HEAD AVE PRICE 289.52
DRESSED FOB – NO REPORTABLE TRADE

TX/OK/NM - 183.00 ON 936 STEERS AND 673 HEIFERS
TOTAL SALES 2,350 HEAD

COLORADO - ****INFORMATION NOT AVAILABLE DUE TO CONFIDENTIALITY****
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DECEMBER LIVE CATTLE/DECEMBER LEAN HOG SPREAD –
DECEMBER 2024/FEBRUARY 2025 LIVE CATTLE –
OCTOBER LIVE CATTLE –
DECEMBER LIVE CATTLE –
FEBRUARY 2025 LIVE CATTLE -
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FEEDER CATTLE

CME FEEDER INDEX ON 09/19/2024 WAS 243.26 DOWN 1.16 FROM PREVIOUS DAY

SEPTEMBER 2024 FEEDER CATTLE SETTLED ON SEPTEMBER 20, 2024 AT \$244.82
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FEEDER CATTLE ARE BULL SPREAD. AT THIS TIME, IT IS INDICATING PRICES FOR FUTURE MONTHS
WILL BE SIMILAR TO CURRENT MONTHS.
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NOVEMBER 2024/JANUARY 2025 FEEDER CATTLE SPREAD -
NOVEMBER 2024 FEEDER CATTLE -
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HOGS

USDA ESTIMATED FEDERAL HOG SLAUGHTER

REVISION FOR SEPTEMBER 19, 2024 ****463,000**** PREVIOUS 479,000

SEPTEMBER 20, 2024	475,000
WEEK AGO	474,000
YEAR AGO	475,625
SATURDAY 09/21/2024	140,000 WEEK AGO 155,000, YEAR AGO 122,033
WEEK TO DATE (EST)	2,506,000
SAME PERIOD LAST WEEK (EST)	2,565,000
SAME PERIOD LAST YEAR (ACT)	2,546,648
2024 YEAR TO DATE	92,639,470
2023 *YEAR TO DATE	91,500,380
YEAR TO DATE PERCENT CHANGE	1.2%
YEAR TO DATE PER HEAD CHANGE	1,139,090

[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 09/18/2024 WAS 84.38 UP 16 CENTS FROM PREVIOUS DAY

[CME LEAN HOG INDEX ON 09/11/2024 WAS 85.35](#)

CME PORK CUTOUT INDEX 09/19/2024 AT 94.46 UP 13 CENTS FROM PREVIOUS DAY

[CME PORK CUTOUT INDEX 09/12/2024 AT 94.63](#)

THE CME LEAN HOG INDEX IS MINUS \$10.08 TO THE CME PORK INDEX 09/20/2024

[THE CME LEAN HOG INDEX IS MINUS \\$9.28 TO THE CME PORK INDEX 09/13/2024](#)

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CME LEAN HOG INDEX AS OF SEPTEMBER 18, 2024 = \$84.38

OCTOBER 2024 LEAN HOGS AS OF SEPTEMBER 20, 2024 = \$82.22

AS OF SEPTEMBER 20, 2024 THE CME LEAN HOG INDEX IS \$2.16 OVER THE OCTOBER CONTRACT. A WEEK AGO THE DIFFERENCE WAS \$6.90. THE WEEK'S TRADING WAS ALL ABOUT NARROWING THE DIFFERENCE AND BRING OCTOBER FUTURES CLOSER TO THE CASH PRICE.

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NOT MUCH CHANGE ON THE PORK CUTOUT LAST WEEK. THE 5 DAY DAILY PORK CARCASS WAS UP 22 CENTS COMPARED TO A WEEK AGO. HAMS CONTINUE TO MOVE LOWER LOSING WHILE LOINS WERE JUST SLIGHTLY LOWER. RIBS PUT ON \$5.00 PLUS BEING THE MAIN SUPPORT FOR THE WEEK.

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LEAN HOG TRADE VOLUME WAS EXCEPTIONALLY LIGHT OVER THE PAST WEEK. SLAUGHTER WAS OFF 59,000 HEAD FROM A WEEK AGO. THE CME LEAN HOG INDEX WAS DOWN 97 CENTS WHILE THE CME PORK CUTOUT WAS OFF JUST 17 CENTS.

NEXT WEEK SLAUGHTER SHOULD PICK UP WITH HOGS MISSING FROM KILL THIS WEEK IN THE SOUTHEAST AND THEY MOVE TO THE PACKER NEXT WEEK.

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EXPORTS

EXPORTS REAIN GOOD BUT IT WAS DISAPPOINTING TO SEE MEXICO TAKE JUST 5700 MT. MEXICO HAS BEEN A GOOD HAM BUYER AND WITH MEXICO BACKING DOWN, IT IS THE REASON HAMS HAVE FALLEN.

WEEK ENDING SEPTEMBER 12, 2024 NET EXPORTS WERE 29,000 MT. UP 3% ON THE 4 WEEK AVERAGE. JAPAN WAS THE LARGEST BUYER TAKING 7900 MT. MEXICO TOOK ONLY 5700 MT AND COLUMBIA CAME IN THIRD WITH 3300 MT.

WEEK ENDING SEPTEMBER 5, 2024 NET EXPORTS WERE 29,700 MT
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

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STERLING PORK PROFIT TRACKER WEEK ENDING - [SEPTEMBER 14, 2024](#)

PACKER MARGINS \$20.03 LAST WEEK \$22.32 MONTH AGO \$17.37 YEAR AGO \$27.82

FARROW TO FINISH MARGINS \$16.13 LAST WEEK \$19.04 MONTH AGO \$33.97 YEAR AGO (\$6.95)

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 : 214.97

LOADS TRIM/PROCESS PORK : 17.94

2:00 PM	LOADS	CARCASS	LOIN	BUTT	PIC	RIB	HAM	BELLY
09/20/2024	232.91	94.15	93.70	105.53	79.09	128.24	85.55	124.02
CHANGE:		-0.66	0.80	-0.93	3.67	-1.86	-0.64	-5.73
FIVE DAY AVERAGE		94.52	94.24	104.96	78.36	127.92	85.25	126.25

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 20, 2024

NATIONAL NEGOTIATED PRICE
HEAD COUNT 3,657
LOWEST PRICE: 72.00
HIGHEST PRICE: 80.00
WEIGHTED AVERAGE 76.88
CHANGE FROM PREVIOUS DAY 0.61 HIGHER

OTHER MARKET FORMULA (CARCASS)
HEAD COUNT: 37,930
LOWEST BASE PRICE: 71.50
HIGHEST BASE PRICE: 88.90
WEIGHTED AVERAGE PRICE: 81.60

SWINE/PORK MARKET FORMULA (CARCASS)
HEAD COUNT 164,924
LOWEST BASE PRICE: 73.57
HIGHEST BASE PRICE 87.38
WEIGHTED AVERAGE PRICE 82.72

OTHER PURCHASE ARRANGEMENT (CARCASS)
HEAD COUNT: 46,954
LOWEST BASE PRICE: 76.82
HIGHEST BASE PRICE: 103.00
WEIGHTED AVERAGE PRICE 84.59

[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 – SEPTEMBER 19, 2024

****PRODUCER SOLD:**
HEAD COUNT 227,512
AVERAGE LIVE WEIGHT 283.07
AVERAGE CARCASS WEIGHT 212.02

PACKER SOLD:
HEAD COUNT 30,593
AVERAGE LIVE WEIGHT 288.99
AVERAGE CARCASS WEIGHT 217.85

PACKER OWNED:
HEAD COUNT 178,158
AVERAGE LIVE WEIGHT 283.43
AVERAGE CARCASS WEIGHT 214.80

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DECEMBER 2024/FEBRUARY 2025 LEAN HOG SPREAD -
DECEMBER 2024 LEAN HOGS -
FEBRUARY 2025 LEAN HOGS -

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