ADM

ADM Investor Services, Inc.

THURSDAY MORNING, JANUARY 9, 2025 LIVESTOCK REPORT

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U.S. EXPORT SALES REPORT WILL BE RELEASED ON FRIDAY, JANUARY 10, 2024.

CATTLE

JANUARY 08, 2025	122,000
WEEK AGO	0
YEAR AGO	115,870
WEEK TO DATE	357,000
PREVIOUS WEEK	225,000
2023 WEEK TO DATE	638,000
2024 YEAR TO DATE	847,003
PERCENT CHANGE YEAR TO DATE	-24.7%

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

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2:00 PM JANUARY 08, 2025

BOXED BEEF	CHOICE	SELECT
CURRENT CUTOUT VALUES:	328.61	306.89
CHANGE FROM PRIOR DAY:	2.82	1.46
CHOICE/SELECT SPREAD:	21.72	
TOTAL LOAD COUNT (CUTS, TRIMMINGS, GRINDS):	18	
5 DAY SIMPLE AVERAGE:	325.17	298.85

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CME BOXED BEEF INDEX ON 01/07/2025 WAS 318.82 UP .40 FROM PREVIOUS DAY

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2:00 PM JANUARY 08, 2025

PRIMAL RIB	511.71	434.06
PRIMAL CHUCK	297.28	288.68
PRIMAL ROUND	292.93	285.92
PRIMAL LOIN	390.48	349.82
PRIMAL BRISKET	272.15	269.84
PRIMAL SHORT PLATE	213.97	213.97
PRIMAL FLANK	154.05	154.19

2:00 PM JANUARY 07, 2025

PRIMAL RIB	508.48	430.05
PRIMAL CHUCK	292.75	287.50
PRIMAL ROUND	289.95	286.43
PRIMAL LOIN	390.60	349.29
PRIMAL BRISKET	268.59	265.53
PRIMAL SHORT PLATE	208.57	208.57
PRIMAL FLANK	156.63	152.49

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LOAD COUNT AND CUTOUT VALUE SUMMARY FOR PRIOR 5 DAYS

DATE	CHOICE	SELECT	TRIM	GRINDS	TOTAL	600-900	600-900
01/07	97	35	0	24	156	325.79	305.43
01/06	83	37	5	21	146	327.10	303.33
01/03	96	16	20	17	149	325.24	296.72 FRIDAY
01/02	67	18	6	25	116	323.48	294.23
12/31	65	33	7	13	119	324.22	294.52

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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.
JANUARY 08, 2025 FINAL

CHOICE CUTS	120.55 LOADS	4,822,017 POUNDS
SELECT CUTS	26.51 LOADS	1,060,547 POUNDS
TRIMMINGS	14.87 LOADS	594,724 POUNDS
GROUND BEEF	19.38 LOADS	775,180 POUNDS

(ONE LOAD EQUALS 40,000 POUNDS)

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USDA SAYS IT HAS NOT SET JAN. 20 AS DATE TO RESUME MEXICAN CATTLE IMPORTS - REUTERS NEWS

"CHICAGO, JAN 8 (REUTERS) - THE U.S. DEPARTMENT OF AGRICULTURE HAS NOT ESTABLISHED JAN. 20 AS A DATE TO RESUME CATTLE IMPORTS FROM MEXICO, THE AGENCY SAID ON WEDNESDAY, AFTER IT BLOCKED SHIPMENTS IN NOVEMBER OVER THE DISCOVERY OF THE NEW WORLD SCREWWORM PEST IN MEXICO.

CME GROUP CATTLE FUTURES PRICES CAME UNDER PRESSURE FROM A MEDIA REPORT THAT CITED ANONYMOUS SOURCES AS SAYING THAT IMPORTS OF FEEDER CATTLE FROM MEXICO ARE EXPECTED TO PARTIALLY RESUME THE WEEK OF JAN. 20."

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LIVE CATTLE TRADE VOLUME WAS ACTIVE WEDNESDAY. FEBRUARY LIVE CATTLE VOLUME WAS 45,694 CONTRACTS. THE INCREASE OF TRADING WITH CLOSE TO 6000 CONTRACTS ADDED ABOVE GLOBEX TRADING SUGGEST SHORT HEDGING WAS TAKING PLACE.

TRADERS WERE ALSO BUYING HOGS AND SELLING CATTLE. SINCE DECEMBER 9TH THE FEBRUARY LIVE CATTLE/FEBRUARY LEAD HOG SPREAD GAINED $16.45 AS ON JANUARY 7TH . WITH TRADERS ROLLING NOW, ALONG WITH HUGE OPEN INTEREST THE TRADING ON WEDESDAY ALSO LIQUIDATION OF THE SPREAD AND PROFIT TAKING.

BEEF PRICES ARE HOT. BUT IT SHOULD BE EXPECTED WHEN THE FIRST WEEK OF KILL IS DOWN 24.7% COMPARED TO A YEAR AGO. THE CUMULATIVE CUTOUT PRICE FOR BEEF IS SEEING DAY AFTER DAY INCREASES. BUYERS ARE SWITCHING FROM THE HIGH PRICED CHOICE RIB PRIMALS, DOWN OVER $70.00 IN 2 DAYS, TO LOWER PRICED CUTS AND SELECT BEEF AS THE CHOICE/SELECT SPREAD NARROWS. TIME WILL TELL IF BEEF CAN CONTINUE TO RALLY ONCE PACKERS MAKE UP FOR THE TWO SHORT SLAUGHTER WEEKS DURING THE HOLIDAYS AND THE SHORT SLAUGHTER ON MONDAY DUE TO THE WINTER STORM.

LOOK FOR BEEF PRICES TO REMAIN STRONG UNTIL STORE HAVE SHELVES FILLED TO WANTED LEVELS. DEPENDING ON THE WEATHER BEEF PRICES LIKELY TO REMAIN HIGH FOR CHUCKS AND ROUNDS UNTIL THE SECOND WEEK OF JANUARY. LOOK FOR MORE NARROWING OF THE CHOICE/SELECT SPREAD.
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LAST WEEK CASH CATTLE PRICES MADE RECORD HIGHS. PRICES IN THE MIDWEST WERE 198.00 TO $201.00 MOST CATTLE 199.00 DRESSED CATTLE 310.00 TO A FEW AS HIGH AS 320.00 UP $3.00 TO $9.00. SOUTHWEST CATTLE WERE 195.00 TO UP AS HIGH AS $200.00 TEXAS CATTLE WERE MOSTLY $197.00.
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COMPARED TO A YEAR AGO LAST WEEK LIVE WEIGHTS AVERAGED 1433 UP 22 POUNDS AND DRESSED WEIGHTS WERE 870 COMPARED TO 854.
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THE STRONG U.S. DOLLAR IS AN ADVANTAGE TO THE BUYERS IN THE U.S. EXPECT IMPORTS TO INCREASE IN 2025 DURING THE 1ST QUARTER OF 2025.
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EXPORTS

FOR WEEK ENDING DECEMBER 26, 2024 EXPORTS WERE 1400 MT. DOWN 71% ON THE 4 WEEK AVERAGE.

NET SALES FOR 2025 WERE 11,100 MT COMPARED TO 13,100 MT A WEEK AGO . SOUTH KOREA WAS LARGEST BUYER WITH 3900 MT FOLLOWED BY TAIWAN AT 800 MT WITH CHINA TAKING 1800 MT.
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***NATIONAL DAILY DIRECT CATTLE 01/08/2025
5 DAY ACCUMULATED WEIGHTED AVG

	WEIGHT	PRICE	HEAD
LIVE STEER:	1516	$198.95	37,035
LIVE HEIFER:	1374	$198.95	17,195
DRESSED STEER	1000	$314.60	10,261
DRESSED HEIFER:	886	$314.21	3,280

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RECORD HIGH PRICES
USDA POSTED SUMMARY CATTLE PRICES ON 01/08/2025
FOB STEER AND HEIFER COMBINED PRICES UNLESS NOTED

IA/MN – CASH FOB – 200.00- PAID ON 38 FOB HEIFERS AVE WT 1,460 POUNDS
195.00 PAID ON 100 HEAD MIXED LOAD
DRESSED DELIVERED 320.00 ON 210 STEERS
LIVE DELIVERED - 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

TX/OK/NM - NO REPORTABLE TRADE
NO REPORTABLE TRADE
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WEEKLY BEEF PRODUCTION (MILLIONS OF POUNDS) – DECEMBER 27, 2024

WEEK ENDING:	BEEF
4-JAN-25	432.2
28-DEC-24	376.2
CHANGE:	14.9%
06-DEC-24	462.3
CHANGE:	-6.5%
2025 YTD	236.9
2024 YTD	462.3
CHANGE:	-48.8%

AVERAGE WEIGHTS (POUNDS) CATTLE

WEEK ENDING LIVE:		
4-JAN-25	ESTIMATE	1433
28-DEC-24	ESTIMATE	1431
06-JAN-24	ACTUAL	1411
DRESSED:		
4-JAN-25	ESTIMATE	870
28-DEC-24	ESTIMATE	869
06-JAN-24	ACTUAL	854

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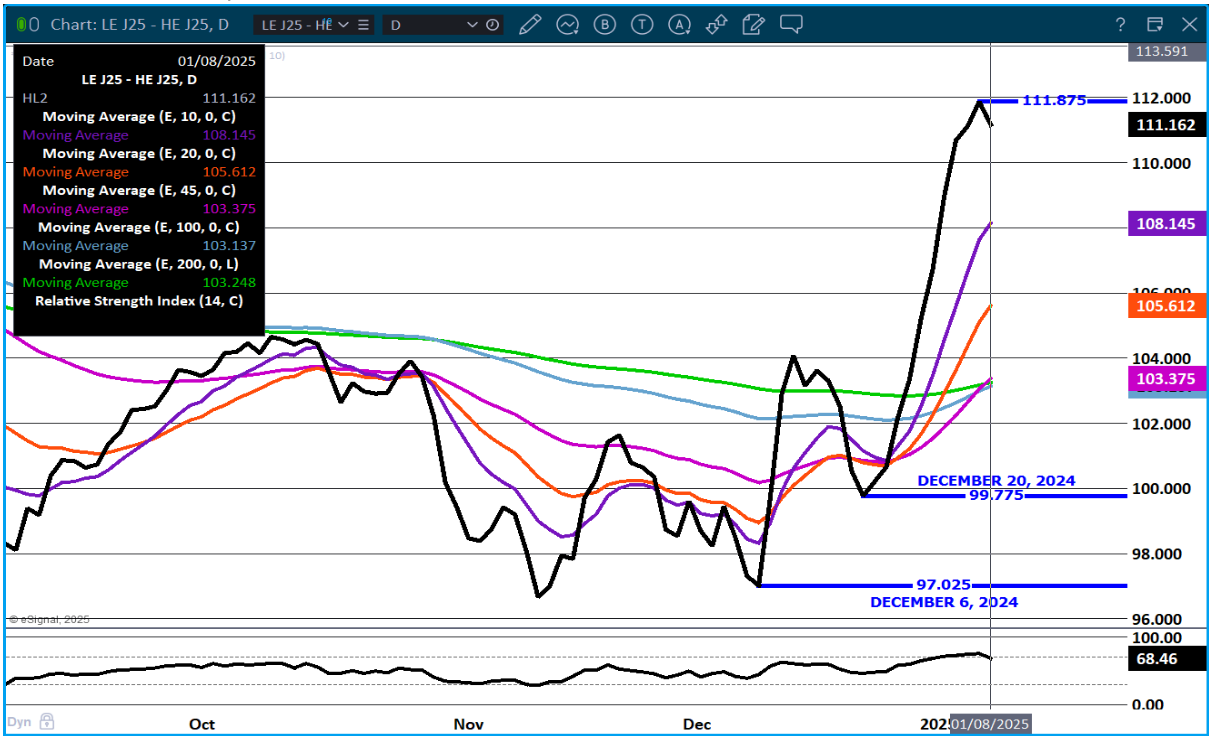
STERLING MARKETING BEEF MARGINS WEEK ENDING JANUARY 4, 2025

PACKER MARGIN ($ /HEAD ($68.12) LAST WEEK ($85.29) MONTH AGO ($82.32) YEAR AGO ($92.43)

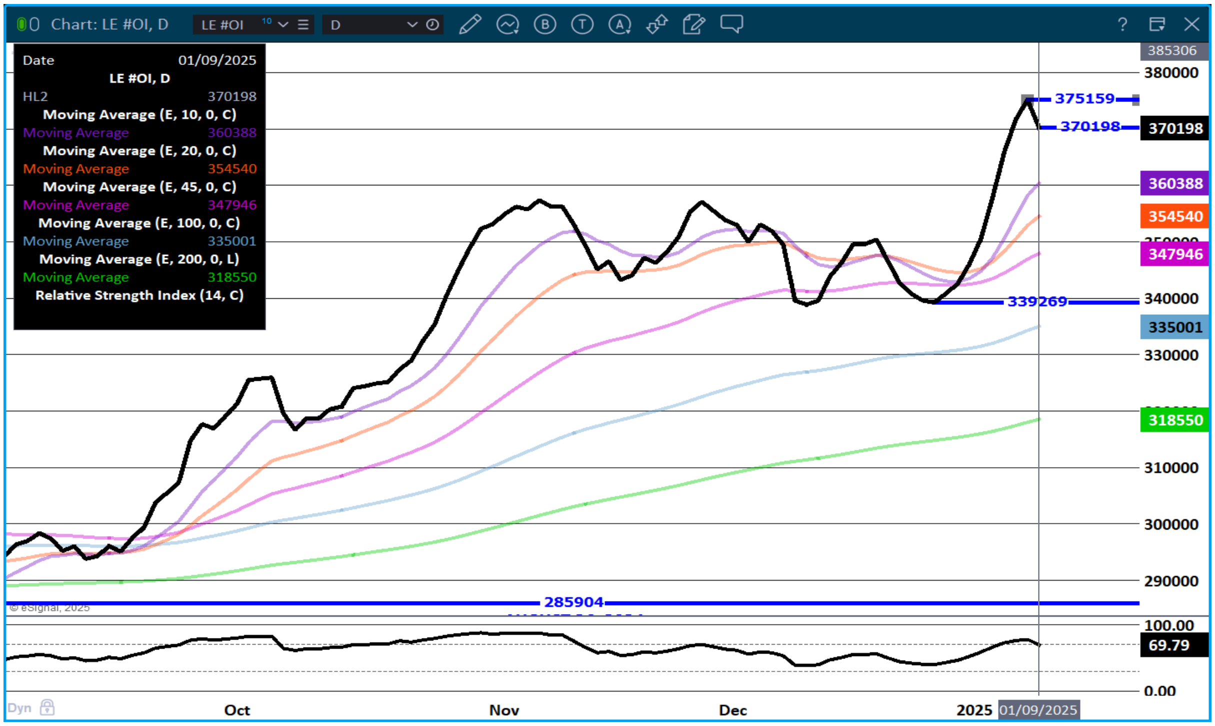
FEEDLOT MARGINS: $184.73 LAST WEEK $137.33 MONTH AGO $204.15 YEAR AGO ($109.53)

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.

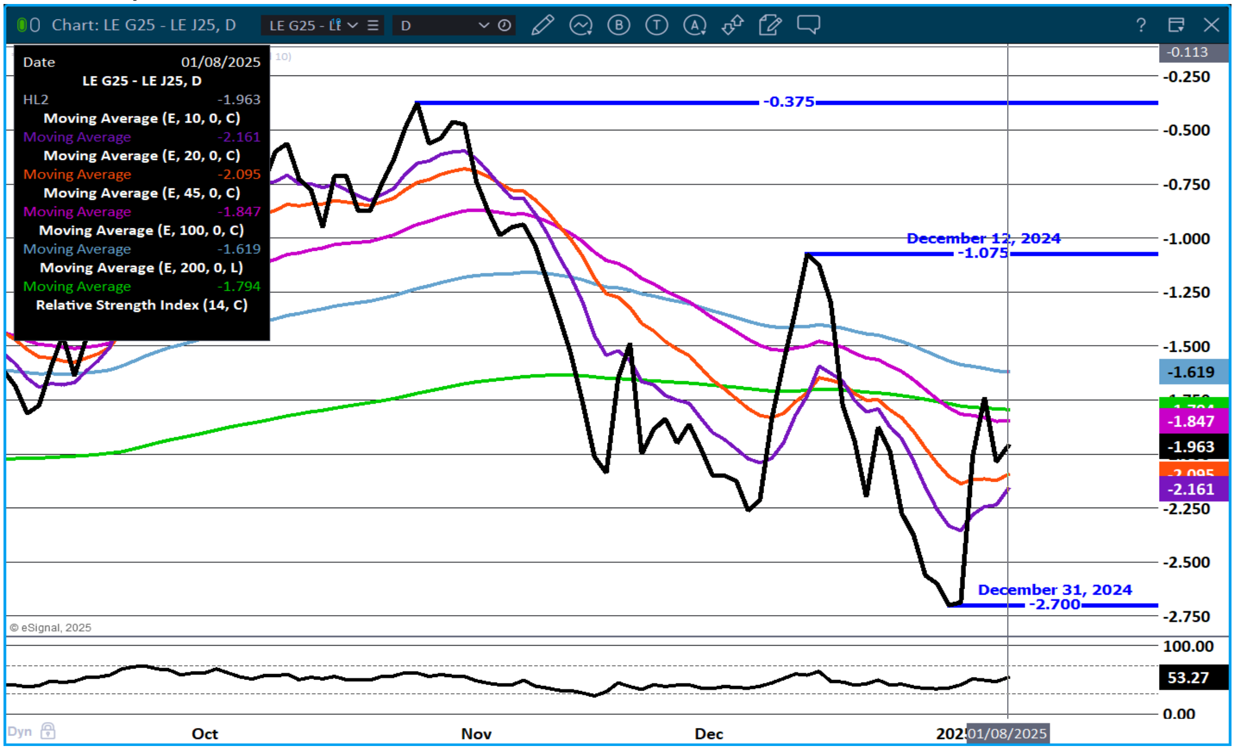
APRIL LIVE CATTLE/APRIL LEAN HOG SPREAD – SLIGHT DOWNTURN LIKELY PROFIT TAKING



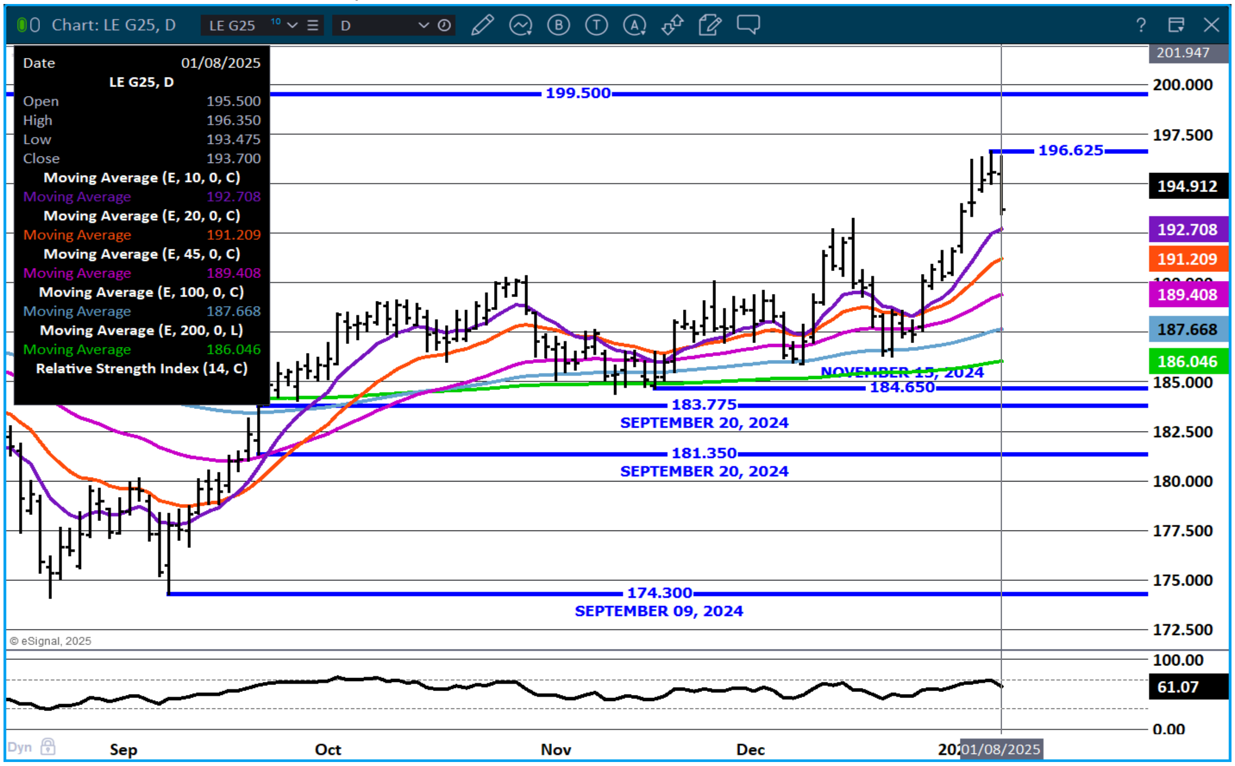
LIVE CATTLE OPEN INTEREST – SLIGHT DECREASE IN OPEN INTEREST



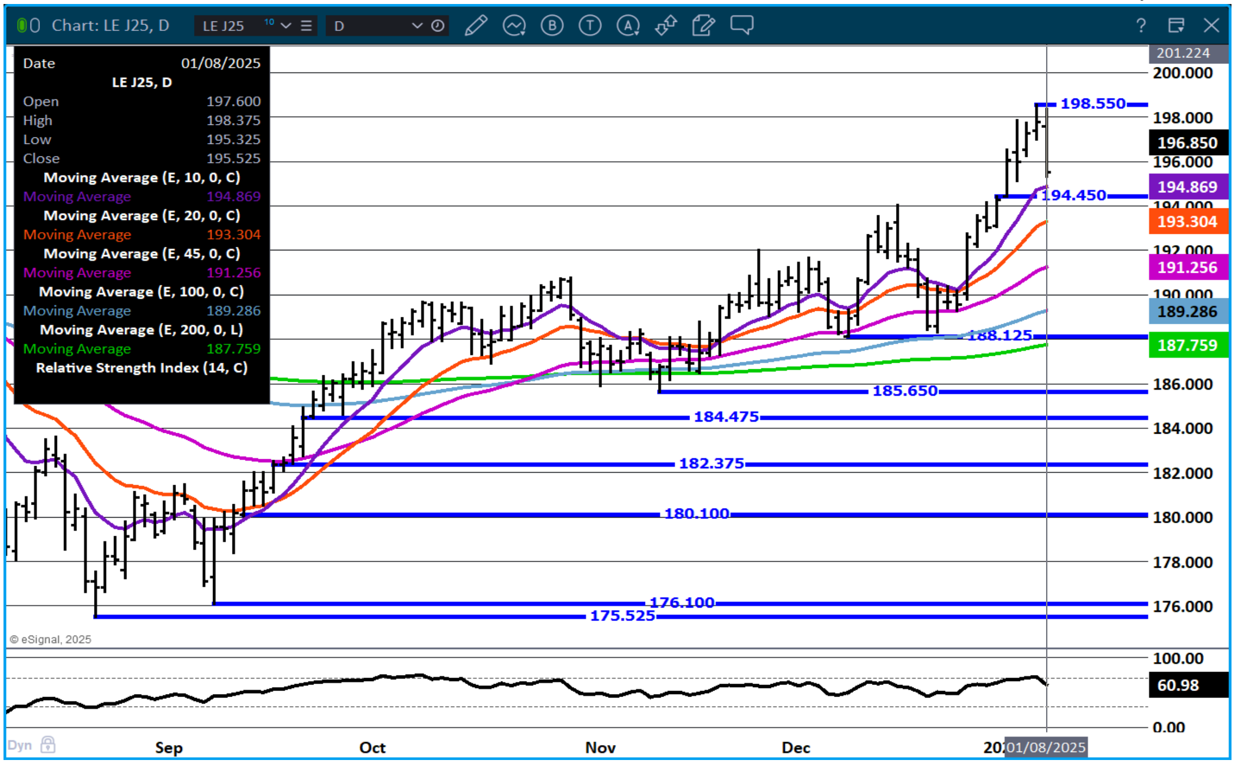
FEBRUARY/APRIL LIVE CATTLE SPREAD – BEAR SPREAD BUT NARROWING



FEB LIVE CATTLE – VOL AT 45,694 SUPPORT AT 192.70 TO 191.20 RESISTANCE AT 19.62 TO 199.50



APRIL LIVE CATTLE – RESISTANCE AT 198.55 SUPPORT AT 194.85 TO 193.25 VOLUME AT 32,521



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FEEDER CATTLE

CME FEEDER INDEX ON 01/07/2024 WAS 272.86 UP .57 FROM PREVIOUS DAY

JANUARY 2025 FEEDER CATTLE SETTLED ON 01/08/2024 AT $265.57

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NATIONAL FEEDER & STOCKER CATTLE SUMMARY - WEEK ENDING 01/04/2025

RECEIPTS:	Auctions	Direct	Video/Internet	Total
This Week:	99,500	7,400	4,200	111,100
12/23/2024:	202,400	19,100	21,500	243,000
Year Ago:	180,900	16,900	14,400	212,200

Compared to two weeks ago, steers and heifers sold 3.00 to 8.00 higher on limited auctions nationwide this past week. With the New Years holiday in the middle of the week, many auctions decided to take the whole week off and some could get caught up on maintenance issues. Those that did have auctions were mostly in Missouri, South Dakota, Nebraska and Iowa and cattle were purchased actively and on good demand.

<u>Those states attributed nearly 90 pct of the auction receipts on this report this week.</u>

FULL REPORT:
[**HTTPS://WWW.AMS.USDA.GOV/MNREPORTS/SJ_LS850.TXT**](https://www.ams.usda.gov/mnreports/sj_ls850.txt)

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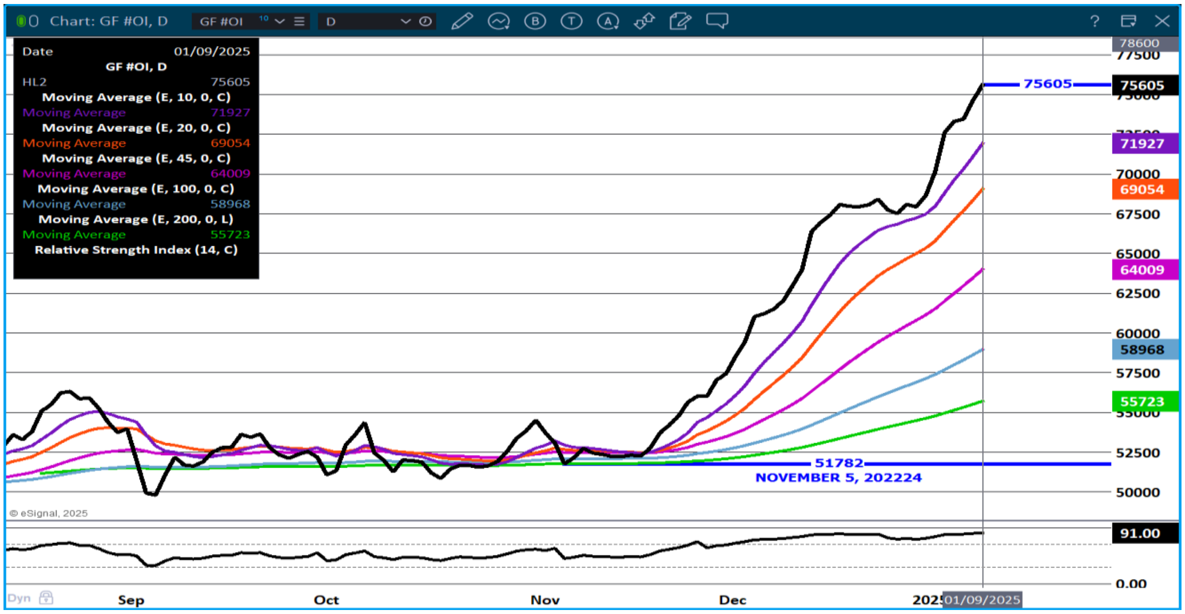
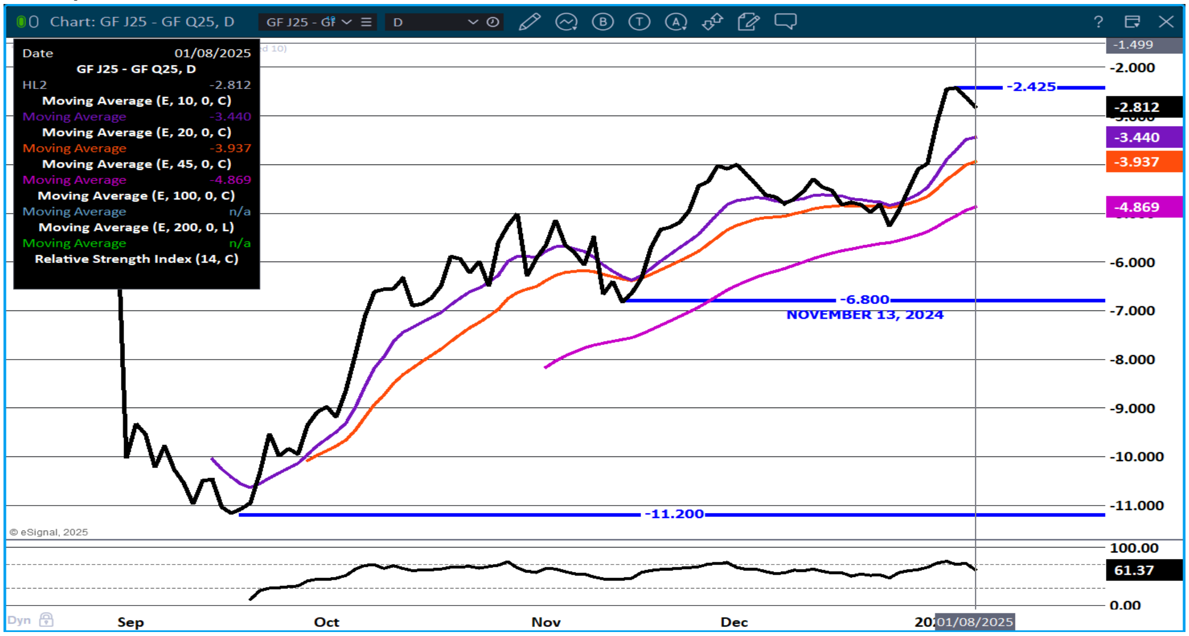
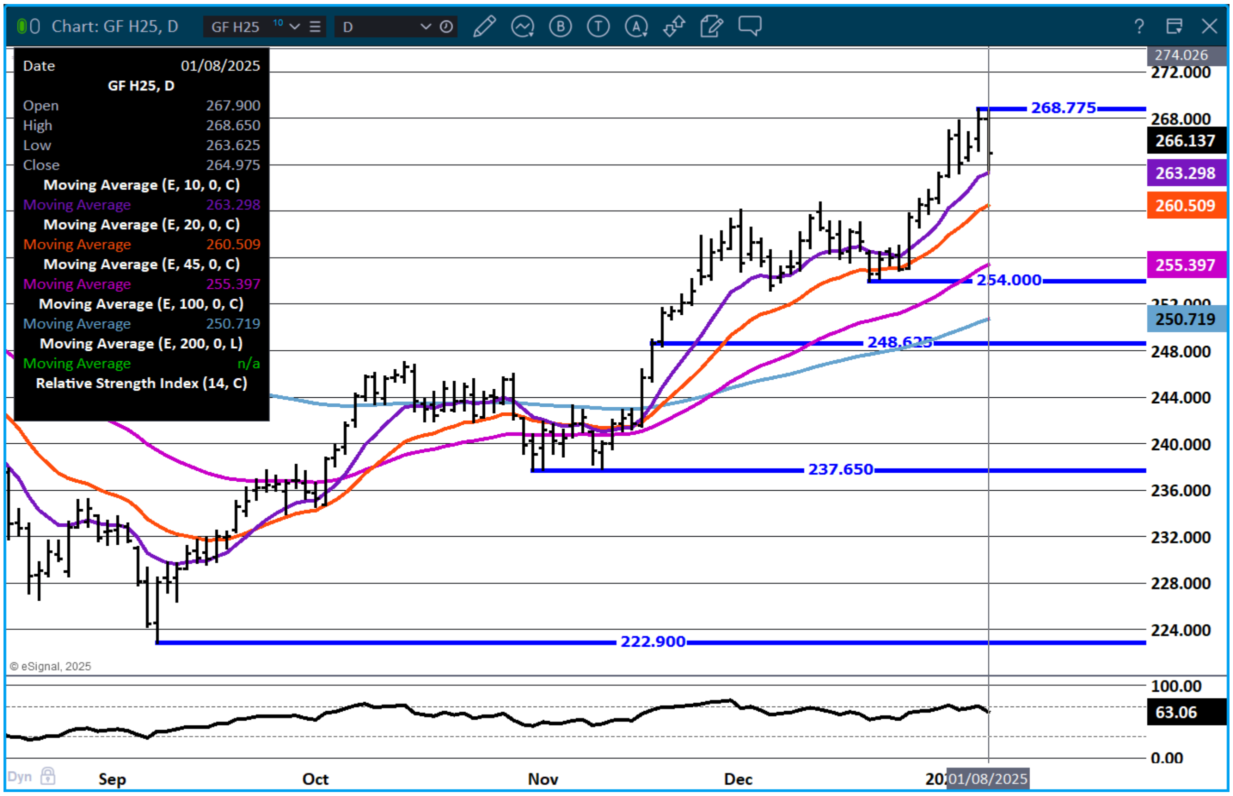
FEEDER CATTLE OPEN INTEREST - OPEN INTEREST CONTINUES TO INCREASE



APRIL/AUGUST FEEDER CATTLE SPREAD - BEAR SPREAD



MARCH FEEDER CATTLE - REVERSAL BUT JUST DROPPING TO 10 DAY MOVING AVERAGE. NOW SUPPORT AT 263. 25 TO 260.50 RESISTANCE AT 268.77



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HOGS

JANUARY 08, 2025	490,000
WEEK AGO	0
YEAR AGO	475,721
WEEK TO DATE	1,424,000
PREVIOUS WEEK	892,000
2023 WEEK TO DATE	1,319,643
2024 YEAR TO DATE	2,798,000
2023 *YEAR TO DATE	3,688,398
YEAR TO DATE PERCENT CHANGE	-24.1%

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

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CME LEAN HOG INDEX ON 01/06/2025 WAS 81.59 DOWN .42 FROM PREVIOUS DAY

CME PORK CUTOUT INDEX 01/07/2025 AT 89.03 DOWN 1.36 FROM PREVIOUS DAY

THE CME LEAN HOG INDEX IS MINUS $7.44 TO THE CME PORK INDEX 01/08/2025.

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THE DIFFERENCE BETWEEN THE CME LEAN HOG INDEX AND THE CME PORK CUTOUT AT $744 PUTS PACKERS PROFIT MARGINS NOW NEGATIVE.
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PORK PRICE WEDNESDAY HAD A REPRIEVE WITH THE CUTOUT IMPROVING $2.13 ALL PRIMAL CUT PRICES WERE . HAMS GAINED $3.48 AND BELLIES WERE UP 1.58 HIGHER. LOINS WERE UP 1.56 BUT BARELY ABOVE $80 ON THE 5 DAY AVERAGE AT $80.20.

IN 2024 LOINS AND HAMS FOUND SUPPORT WHEN THEY DROPPED TO $80.00. HIGH PRICED BEEF LIKELY HELPING PORK PRICES
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THE CHINESE NEW YEAR BEGINS THIS ON JANUARY 29TH AND ENDS FEBRUARY 3RD. PAST YEARS SHOW 1 TO 2 WEEKS OF A LARGE PORK PURCHASE OF U.S. PORK. PORK IS USED AT MANY CELEBRATIONS AND ALSO IS GIVEN AS GIFTS. IT IS A TIME WHEN CHINESE PORK STOCKS SEE A LARGE DRAWDOWN AND OFTEN WHEN CHINA BUYS IMPORTS BEFORE THE HOLIDAY AND TO REPLACE STOCKS AFTER IT. THE QUESTION IS, WILL CHINA BUY U.S. PORK IN 2025. PORK RIBS AS WELL AS CARCASSES ARE OFTEN BOUGHT FOR THE CELEBRATION.

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EXPORTS
THE STRONG U.S. DOLLAR ISN'T GOING TO BE GOOD FOR PORK OR BEEF EXPORTS.

TRADERS WILL BE WATCHING EXPORTS. THEY DROPPED IN DECEMBER AND TRADERS WILL WANT TO SEE IF DECEMBER WAS A TIME EXPORTERS HAD ENOUGH FOR 2024 OR ARE THEY DROPPING FROM THE U.S. PORK MARKET.

FOR WEEK ENDING DECEMBER 26, 2024 EXPORTS WERE 7,500 MT, DOWN 60% ON THE 4 WEEK AVERAGE. MEXICO TOOK ONLY 8500 MT

NET SALES FOR 2025 WERE AT 13,500 MT COMPARED TO A WEEK AGO AT 39,400 MT. JAPAN BOUGHT 5300 MT FOLLOWED BY MEXICO AT A LOW 2800 MT COMPARED TO A WEEK AGO AT 21,000 MT . NO PURCHASES FROM CHINA FOR 2025
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WEEKLY PORK PRODUCTION (MILLION POUNDS) DECEMBER 28, 2024
WEEK ENDING PORK
04-JAN-25 495.6
28-DEC-24 444.0
CHANGE: 11.6%
06 –JAN -24 517.8
CHANGE: -4.3%
2025 YTD 302.4
2024 YTD 517.8
CHANGE: -41.6%

WEEKENDING SATURDAY, DECEMBER 28, 2024
AVERAGE WEIGHTS (LBS) HOGS
WEEK ENDING LIVE:
04-JAN-25 ESTIMATE 291
28-DEC-24 ESTIMATE 291
06-DEC-25 ACTUAL 294
DRESSED:
04-JAN-25 ESTIMATE 217
28 -DEC-24 ESTIMATE 216
06-JAN-24 ACTUAL 219
HTTPS://WWW.AMS.USDA.GOV/MNREPORTS/SJ_LS712.TXT
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STERLING PORK PROFIT TRACKER WEEK ENDING - JANUARY 4, 2025
PACKER MARGINS $7.72 LAST WEEK $21.90 MONTH AGO ($7.49) YEAR AGO $69.83
FARROW TO FINISH MARGIN $31.81 LAST WEEK $29.48 MONTH AGO $40.15 YEAR AGO ($55.18)
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 : 379.46
LOADS TRIM/PROCESS PORK : 38.95

2:00 AM	LOADS	CARCASS	LOIN	BUTT	PIC	RIB	HAM	BELLY
01/07/2025	418.42	90.53	79.77	111.47	67.20	140.36	80.76	130.63
CHANGE:		2.13	1.76	0.23	2.35	-1.65	3.48	1.58
FIVE DAY AVERAGE		89.12	80.20	111.49	67.16	140.84	79.84	122.94

11:00 AM	LOADS	CARCASS	LOIN	BUTT	PIC	RIB	HAM	BELLY
01/08/2024	243.88	91.83	79.62	112.71	67.74	142.15	82.80	134.46

CHANGE:		3.43	1.61	1.47	2.89	0.14	5.52	5.41
FIVE DAY AVERAGE		89.38	80.17	111.74	67.27	141.20	80.24	123.70

2:00 AM	LOADS	CARCASS	LOIN	BUTT	PIC	RIB	HAM	BELLY
01/07/2025	435.57	88.40	78.01	111.24	64.85	142.01	77.28	129.05
CHANGE:		0.57	-0.89	1.43	-1.35	1.65	0.09	4.48
FIVE DAY AVERAGE		89.08	80.10	111.11	67.84	140.54	81.10	120.91

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HOG REPORT - PLANT DELIVERED PURCHASE JANUARY 08, 2025
NATIONAL NEGOTIATED PRICE
HEAD COUNT 6,247
LOWEST PRICE: 70.00
HIGHEST PRICE 79.00
WEIGHTED AVERAGE 78.51
CHANGE FROM PREVIOUS DAY -0.38 LOWER

OTHER MARKET FORMULA (CARCASS)
HEAD COUNT: 19,291
LOWEST BASE PRICE: 64.95
HIGHEST BASE PRICE 87.00
WEIGHTED AVERAGE PRICE 75.38

SWINE/PORK MARKET FORMULA (CARCASS)
HEAD COUNT 152,072
LOWEST BASE PRICE: 67.41
HIGHEST BASE PRICE 84.87
WEIGHTED AVERAGE PRICE 79.45

OTHER PURCHASE ARRANGEMENT (CARCASS)
HEAD COUNT: 63,052
LOWEST BASE PRICE 71.14
HIGHEST BASE PRICE: 96.22
WEIGHTED AVERAGE PRICE 81.31
HG216 (usda.gov)
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NATIONAL DAILY DIRECT HOG PRIOR DAY REPORT - SLAUGHTERED SWINE
HTTPS://WWW.AMS.USDA.GOV/MNREPORTS/AMS_2511.PDF

SLAUGHTER DATA - TUESDAY, JANUARY 7, 2025

****PRODUCER SOLD:**
HEAD COUNT 236,293
AVERAGE LIVE WEIGHT 291.03
AVERAGE CARCASS WEIGHT 218.66

PACKER SOLD:
HEAD COUNT 33,622
AVERAGE LIVE 291.50
AVERAGE CARCASS WEIGHT 218.07

PACKER OWNED:
HEAD COUNT 186,354
AVERAGE LIVE WEIGHT   287.97
AVERAGE CARCASS WEIGHT   218.03

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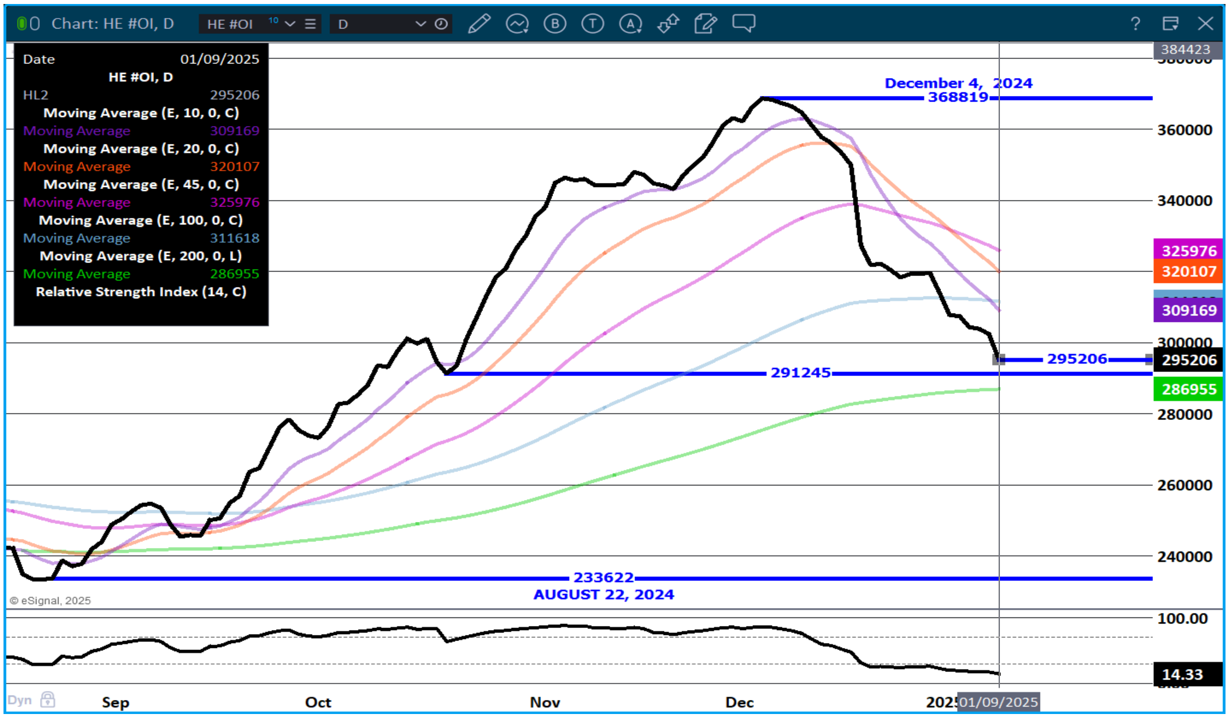
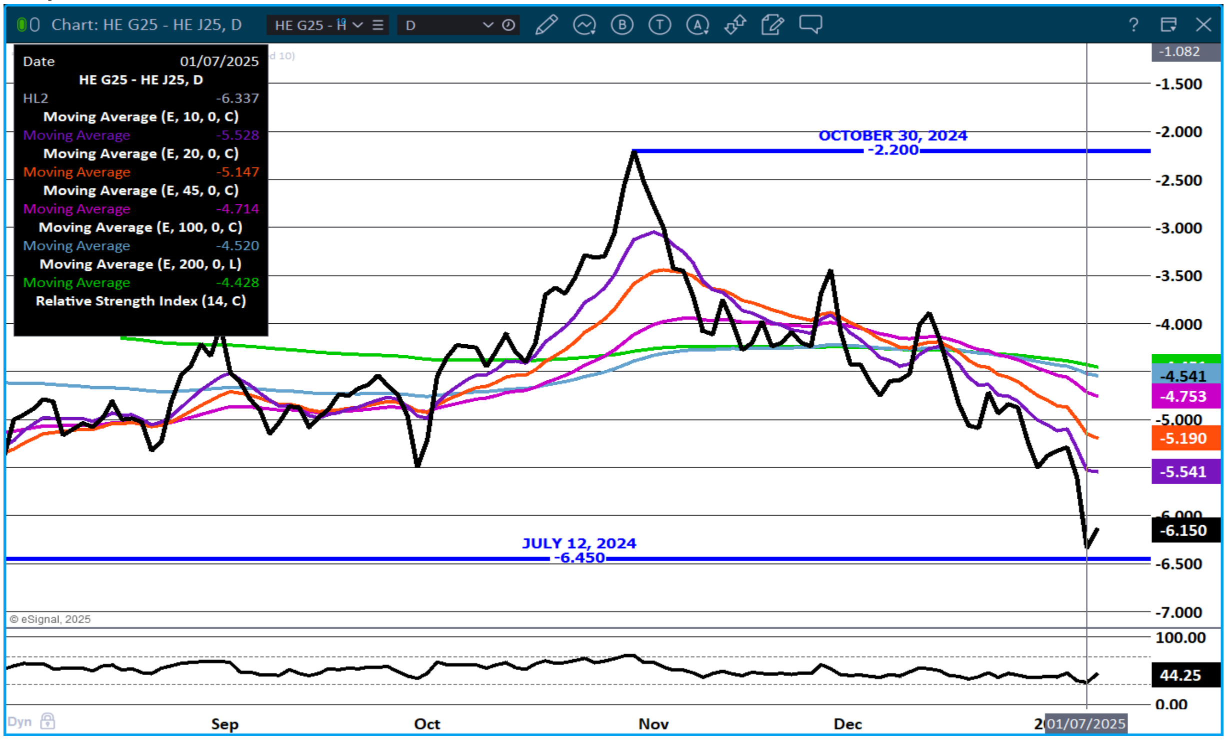
LEAN HOG OPEN INTEREST -   OPEN INTEREST CONTINUES TO DRAWDOWN.

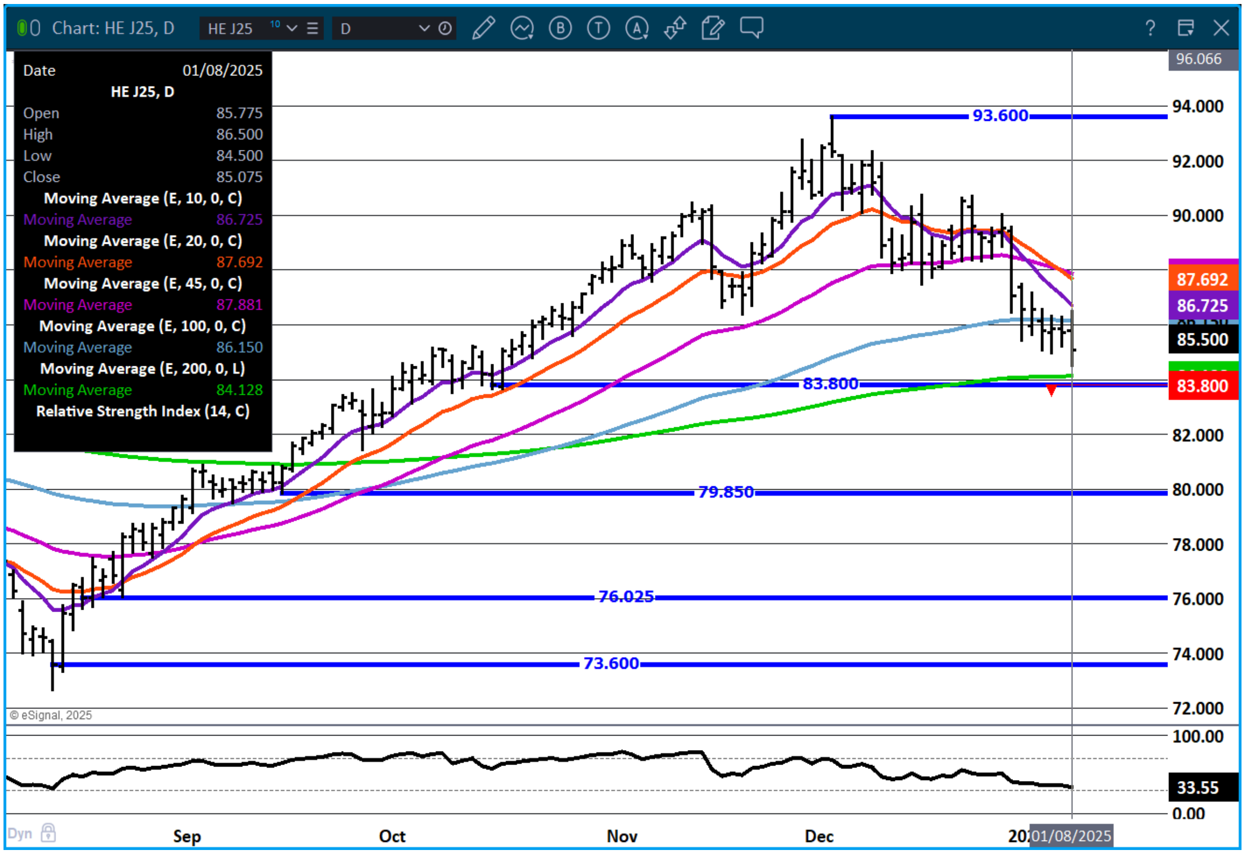


FEB/ APRIL LEAN HOG SPREAD - BEAR SPREAD WIDE.



FEBRUARY 2025 LEAN HOGS – BELOW ALL MOVING AVERAGES SUPPORT AT 76.52 RESISTANCE AT 7960 TO 81.20 VOLUME 43,874

APRIL LEAN HOGS - SUPPORT AT 84.10 TO 83.67 RESISTANCE 86.70



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