ADM Investor Services, Inc.


# THURSDAY MORNING AUGUST 17, 2023 LIVESTOCK REPORT

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**BEEF AND PORK EXPORT HIGHLIGHTS ON LAST PAGE**

## CATTLE

| | |
|---|---|
| AUGUST 16, 2023 | 123,000 |
| WEEK AGO | 122,000 |
| YEAR AGO | 127,000 |
| WEEK TO DATE | 367,000 |
| SAME PERIOD LAST WEEK | 369,000 |
| SAME PERIOD LAST YEAR (ACT) | 375,000 |

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**2:00 PM AUGUST 16, 2023**

| BOXED BEEF | CHOICE | | SELECT |
|---|---|---|---|
| CURRENT CUTOUT VALUES: | 308.99 | | 284.77 |
| CHANGE FROM PRIOR DAY: | 1.73 | | 1.74 |
| CHOICE/SELECT SPREAD: | | 24.22 | |
| TOTAL LOAD COUNT (CUTS, TRIMMINGS, GRINDS) | | 118 | |
| 5 DAY SIMPLE AVERAGE: | 304.18 | | 279.33 |

**CME BOXED BEEF INDEX ON 08/15/2023 WAS 298.81 UP 1.53 CENTS FROM PREVIOUS DAY**

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**2:00 PM AUGUST 16, 2023**

| | | |
|---|---|---|
| PRIMAL RIB | 483.94 | 407.97 |
| PRIMAL CHUCK | 255.52 | 251.79 |
| PRIMAL ROUND | 253.87 | 253.87 |

| | | |
|---|---|---|
| PRIMAL LOIN | 403.60 | 344.42 |
| PRIMAL BRISKET | 265.47 | 237.88 |
| PRIMAL SHORT PLATE | 220.02 | 220.02 |
| PRIMAL FLANK | 206.08 | 190.97 |

2:00 PM AUGUST 15, 2023

| | | |
|---|---|---|
| PRIMAL RIB | 480.51 | 401.94 |
| PRIMAL CHUCK | 253.66 | 251.39 |
| PRIMAL ROUND | 253.47 | 251.22 |
| PRIMAL LOIN | 402.27 | 344.05 |
| PRIMAL BRISKET | 261.63 | 236.90 |
| PRIMAL SHORT PLATE | 217.90 | 217.90 |
| PRIMAL FLANK | 203.95 | 189.00 |

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LOAD COUNT AND CUTOUT VALUE SUMMARY

| Date | Choice | Select | Trim | Grinds | Total | | 600-900 | 600-900 | |
|---|---|---|---|---|---|---|---|---|---|
| 08/15 | 80 | 22 | 30 | 16 | 147 | | 307.26 | 283.03 | |
| 08/14 | 62 | 17 | 8 | 9 | 96 | | 305.50 | 280.45 | |
| 08/11 | 51 | 10 | 0 | 11 | 73 | FRIDAY | 302.61 | 277.23 | FRIDAY |
| 08/10 | 65 | 20 | 8 | 14 | 107 | | 302.03 | 277.80 | |
| 08/09 | 67 | 24 | 18 | 16 | 125 | | 303.52 | 278.14 | |

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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.

| | | |
|---|---|---|
| Choice Cuts | 59.67 loads | 2,386,650 pounds |
| Select Cuts | 31.89 loads | 1,275,502 pounds |
| Trimmings | 10.52 loads | 420,886 pounds |
| Ground Beef | 15.57 loads | 622,794 pounds |

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NO DELIVERIES AS OF AUGUST 16, 2023

AUGUST 2023 LIVE CATTLE DELIVERIES

DELIVERY NOTICE SERVED – AUGUST 2023 - LIVE CATTLE
DATE O8/15/23 SETTLEMENT: $178.77
OLDEST LONG – 06/05/23 $173.27

**0 DELIVERIES**
**FIRM # FIRM NAME DEL REC**
**YARD LOCATION**

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**AUGUST 2023 USDA LIVESTOCK REPORTS**
**CATTLE ON FEED REPORT FRIDAY AUGUST 18, 2023 2:00PM CST**
**COLD STORAGE REPORT WEDNESDAY AUGUST 23, 2023 2:00PM CST**

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**July cattle placements seen down 5.5% from last year -analysts - Reuters News**

| | Range | Average | Million head |
|---|---|---|---|
| On feed August 1 | 98-99.1 | 98.4 | 11.044 |
| Placements in July | 90.4-96.5 | 94.5 | 1.667 |
| Marketings in July | 94.5-95.1 | 94.8 | 1.729 |

**A year ago placements in July were 102 above the previous year Estimates were 98.5 so placements were a surprise. Cattle in the southern half of the US aren't on grass, they are in feedlots for cattle that were intended for pastures.**
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****WEEKLY FUTURES PRICE CHANGE**

| | 08/11/2023 | 08/18/2023 |
|---|---|---|
| AUGUST 2023 LIVE CATTLE | 180.37 | |
| OCTOBER 2023 LIVE CATTLE | 181.32 | |
| DECEMBER 2023 LIVE CATTLE | 185.45 | |
| FEBRUARY 2024 LIVE CATTLE | 189.22 | |
| APRIL 2024 LIVE CATTLE | 191.62 | |
| JUNE 2024 LIVE CATTLE | 185.45 | |

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**Major Drop in Cattle Slaughter**

| DATE | SLAUGHTER | AVE PRICE AND WEIGHT | |
|---|---|---|---|
| JULY 14, 2013 | 633,000 HEAD | $183.44 | 1448# |
| JULY 21, 2023 | 624,000 HEAD | $186.07 | 1451# |
| JULY 28, 2023 | 619,000 HEAD | $185.56 | 1451# |
| AUGUST 4, 2023 | 613,000 HEAD | $185.95 | 1454# |
| AUGUST 11, 2023 | 603,000 HEAD | $186.88 | 1452# |

***NATIONAL DAILY DIRECT CATTLE 5 DAY ACCUMULATED WEIGHTED AVERAGES – Steer prices and steer weights****
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**Traders are discounting the recent strength in the beef market. Trade volume was light Wednesday. Bullish estimates for the COF report and a stronger boxed beef market failed to energize buyers.**

**August Live Cattle on Wednesday settled at $178.77 . The 5 day negotiated steer price is $186.13. The spread recently has been widening with futures moving down and cash higher. Spread encourages feedlots to sell as soon as packers will take the cattle especially in the Midwest. Feed prices dropping could have feedlots deciding to hold cattle and keep them on feed especially with high prices for replacements.**

**Pre-report estimates for Friday's COF report are friendly. But traders haven't been as friendly as they are bear spread.**
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**Cash buying picked up Wednesday. Packers are buying cattle $1.00 lower on their terms. Cattle in the Southwest and Kansas are selling for $178.00 - $179.00 for all grades and Iowa/Minnesota $188.00 and $295.00 . Packers so far aren't buying big numbers. They buy what they need and no extra and some cattle are being delivered 2 to 3 weeks out.**

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**EXPORTS**
**For week ending August 10, 2023 beef net sale exports were 15,100 MT. South Korea took 4600 MT the third week they were the largest buyer. China took 3200 MT more than they took last week but about average for what they have been buying. Japan was third buyer with 2700 MT.**

**Week Ending August 3 , 2023 14,800 MT**
**Week Ending July 27 , 2023 12,400 MT**
**Week Ending July 20 , 2023 21,400 MT**
**Week Ending July 13 , 2023 20,900 MT**
**Week Ending July 6 , 2023 9900 MT**

**HTTPS://APPS.FAS.USDA.GOV/EXPORT-SALES/HIGHLITE.HTM**
**===================================**
**NATIONAL WEEKLY FED CATTLE COMPREHENSIVE REPORT AUGUST 15, 2023**

**As of August 15, 2023 dressed steer and heifer carcasses averaged 865.0 pounds up 3.9 pound from previous week at 861.1 pounds and 1 pound lower at 866.0 pounds than a year ago. The grading percent as of 8/15/23 was 81.0% compared to previous week at 79.5. A year ago the grading percent was 80.3%.**
**https://www.ams.usda.gov/mnreports/ams_2700.pdf**
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*****NATIONAL DAILY DIRECT CATTLE 08/16/2023**
**5 DAY ACCUMULATED WEIGHTED AVG**

| | WEIGHT | PRICE | HEAD |
|---|---|---|---|
| LIVE STEER: | 1448 | $186.13 | 38,239 |
| LIVE HEIFER: | 1308 | $185.09 | 16,675 |
| DRESSED STEER | 925 | $295.38 | 9,131 |
| DRESSED HEIFER: | 826 | $295.20 | 2,217 |

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USDA POSTED SUMMARY CATTLE PRICES ON 08/16/2023

IA/MN – CASH FOB – 187.00 - 188.00 ON 955 STEERS WEIGHING 1,425 - 1,570 POUNDS
DRESSED - 298.00 ON FOR STEERS OR HEIFERS

NE – CASH FOB – 188.00 ON 557 HEAD
DRESSED DELIVERED – 295.00

KS – CASH – 178.00 - 179.00 AVE PRICE 178.99 ON 4833 HEAD
LIVE DELIVERED: NO REPORTABLE TRADE
DRESSED - NO REPORTABLE TRADE

TX/OK/NM CASH – 179.00 ON 732 HEAD FOR STEERS, HEIFERS AND MIXED LOADS
TOTAL - NO REPORTABLE TRADE

CO - **NOT REPORTED DUE TO CONFIDENTIALITY**

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OCTOBER/DECEMBER LIVE CATTLE SPREAD -
AUGUST 2023 LIVE CATTLE –
OCTOBER 2023 LIVE CATTLE –
DECEMBER 2023 LIVE CATTLE –

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## FEEDER CATTLE

CME FEEDER INDEX ON 08/15/2023 WAS 244.94 UP 30 CENTS FROM PREVIOUS DAY –

AUGUST 2023 FEEDER CATTLE FUTURES SETTLED ON 08/16/2023 AT $245.37
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WEEKLY FUTURES PRICE CHANGE

| | 08/11/2023 | 08/18/2023 |
|---|---|---|
| AUGUST 2023 FEEDER CATTLE | 247.75 | |
| SEPTEMBER 2023 FEEDER CATTLE | 251.45 | |
| OCTOBER 2023 FEEDER CATTLE | 252.87 | |
| NOVEMBER 2023 FEEDER CATTLE | 253.27 | |
| JANUARY 2024 FEEDER CATTLE | 252.47 | |
| MARCH 2024 FEEDER CATTLE | 253.57 | |
| APRIL 2024 FEEDER CATTLE | 256.67 | |
| MAY 2024 FEEDER CATTLE | 258.82 | |

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**NATIONAL FEEDER & STOCKER CATTLE SUMMARY - WEEK ENDING 08/12/2023**

| RECEIPTS: | AUCTIONS | DIRECT | VIDEO/INTERNET | TOTAL |
|---|---|---|---|---|
| THIS WEEK: | 141,900 | 42,700 | 85,200 | 269,800 |
| LAST WEEK: | 116,000 | 41,000 | 190,900 | 347,900 |
| YEAR AGO: | 143,800 | 59,500 | 84,700 | 288,000 |

**COMPARED TO LAST WEEK, STEERS AND HEIFERS SOLD STEADY TO 5.00 HIGHER. DEMAND WAS MODERATE TO VERY GOOD WITH THE BEST DEMAND FOR LIGHTER WEIGHT CALVES AS SOME BACKGROUNDERS WERE VERY ACTIVE IN THE MARKET TRYING TO ACQUIRE SOME CALVES FOR FALL GRAZING. AUCTION RECEIPTS THIS WEEK ARE BACK WHERE THEY NORMALLY ARE FOR SUMMERTIME AND YTD RECEIPTS ARE JUST UNDER YEAR AGO NUMBERS AS SOME TIMELY RAINS HAVE BEEN RECEIVED ACROSS COW-CALF STATES. DROUGHT-STRICKEN RANCHERS ARE ANALYZING HOW THEY PLAN ON WEANING SPRING BORN CALVES.**

ams.usda.gov/mnreports/sj_ls850.txt
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**OCTOBER 2023 FEEDER CATTLE/NOVEMBER 2023 FEEDER CATTLE SPREAD –**
**SEPTEMBER 2023 FEEDER CATTLE –**
**NOVEMBER 2023 FEEDER CATTLE –**
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## HOGS

**USDA ESTIMATED FEDERAL HOG SLAUGHTER**

| | |
|---|---|
| AUGUST 16, 2023 | 471,000 |
| WEEK AGO | 468,000 |
| YEAR AGO | 482,000 |
| WEEK TO DATE | 1,408,000 |
| SAME PERIOD LAST WEEK | 1,350,000 |
| SAME PERIOD LAST YEAR (ACT) | 1,405,000 |

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**CME LEAN HOG INDEX ON 08/14/2023 WAS 101.93 DOWN 64 CENTS FROM PREVIOUS DAY**

**CME PORK CUTOUT INDEX 08/15/2023 AT 109.92 DOWN 80 CENTS FROM PREVIOUS DAY**

**THE CME LEAN HOG INDEX IS MINUS $7.99 TO THE CME PORK INDEX.**

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## WEEKLY FUTURES PRICE CHANGE

| | 08/11/2023 | 08/18/2023 |
|---|---|---|
| AUGUST 2023 LEAN HOGS | 102.10 | |
| OCTOBER 2023 LEAN HOGS | 81.32 | |
| DECEMBER 2023 LEAN HOGS | 74.50 | |
| FEBRUARY 2023 LEAN HOGS | 78.55 | |
| APRIL 2023 LEAN HOGS | 83.30 | |
| JUNE 2024 LEAN HOGS | 93.97 | |
| JULY 2024 LEAN HOGS | 94.22 | |

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**Lean Hog trade volume was light Wednesday as futures drifted slightly lower. October volume was 14449 and December had 6840 contracts traded. The next spot month is October so this is the time specs take over.**

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**Packers may start to slow slaughter or as the cash market indicates and Lean Hog futures show, if they don't slow it, they will continue to lower prices. Hog slaughter has been increasing and as it increases, pork prices are dropping faster than hog prices are going down. The difference between the CME Hog Index and the CME Pork Index has been narrowing with pork losing to hogs. This is negative for the packer.**

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### CHINESE PORK GIANT WH GROUP SEES HIGHER HOG PRICES IN 2ND HALF OF 2023 - REUTERS NEWS.

https://www.msn.com/en-us/money/companies/chinese-pork-giant-wh-group-sees-higher-hog-prices-in-2nd-half-of-2023/ar-AA1fjnBl

**Good news for hog producers in China but news for US and European hogs looking for a down market.**

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**EXPORTS**

**For week ending August 10, 2023 pork exports were 28,700 MT. Mexico was the biggest buyer taking 94,000 MT. Japan came in second with 4900MT followed by China with 3500 MT.**

**Pork exports remain good. They have been good for 2023 and as hog numbers increase, they need to remain good. Exports are the icing on the cake for pork this year.**

**WEEK ENDING AUGUST 3, 2023 NET EXPORT SALES WERE 22,300 MT**
**WEEK ENDING JULY 27, 2023 NET EXPORT SALES WERE 17,800 MT**
**WEEK ENDING JULY 20, 2023 NET EXPORT SALES WERE 21,400 MT**
**WEEK ENDING JULY 13, 2023 NET EXPORT SALES WERE 19,200 MT**
**WEEK ENDING JULY 06, 2023 NET EXPORT SALES WERE 24,500 MT**

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**REPORT 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% lean, 0.55"-0.70" BF Last Rib**

**Loads PORK CUTS : 218.84**
**Loads TRIM/PROCESS PORK : 35.43**

| 2:00 PM | LOADS | CARCASS | LOIN | BUTT | PIC | RIB | HAM | BELLY |
|---|---|---|---|---|---|---|---|---|
| 08/16/2023 | 254.28 | 107.27 | 95.65 | 103.36 | 77.92 | 113.32 | 95.44 | 192.13 |
| CHANGE: | | --1.36 | -0.01 | 0.36 | -4.24 | -0.03 | -2.56 | -2.72 |
| FIVE DAY AVERAGE -- | | 109.61 | 95.99 | 102.52 | 80.06 | 113.99 | 97.37 | 201.95 |

| 2:00 PM | LOADS | CARCASS | LOIN | BUTT | PIC | RIB | HAM | BELLY |
|---|---|---|---|---|---|---|---|---|
| 08/15/2023 | 324.90 | 108.63 | 95.66 | 103.00 | 82.16 | 113.35 | 98.00 | 194.85 |
| CHANGE: | | -0.45 | -0.27 | -0.39 | -2.02 | -1.06 | 3.05 | -3.54 |
| FIVE DAY AVERAGE -- | | 109.98 | 96.21 | 101.82 | 80.10 | 113.83 | 97.24 | 204.44 |

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**AFTERNOON HOG REPORT - PLANT DELIVERED PURCHASE**
**AUGUST 16, 2023**
https://www.ams.usda.gov/sites/default/files/media/LMRSwineReportingHandout.pdf

**National Negotiated Carcass Price**
**Head Count: 10,247**
**Lowest price: 87.00**
**Highest price: 96.50**
**Weighted Average 93.45**
**Change from Previous Day -1.72 LOWER**

**Other Market Formula (Carcass)**
**Head Count: 19,146**
**Lowest Base Price: 70.95**
**Highest Base Price: 111.97**
**Weighted Average Price: 81.35**

**Swine/Pork Market Formula (Carcass)**
**Head Count 155,858**
**Lowest base price: 85.17**
**Highest Base Price: 105.66**
**Weighted Average Price 98.24**

**Other Purchase Arrangement (Carcass)**
**HEAD COUNT: 66,050**
**Lowest base price: 72.77**
**Highest base price: 111.71**
**Weighted Average Price: 96.55**

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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 15, 2023**

****PRODUCER SOLD:**
**HEAD COUNT 227,976**
**AVERAGE LIVE WEIGHT 275.93**
**AVERAGE CARCASS WEIGHT 206.54**

**PACKER SOLD:**
**HEAD COUNT 32,586**
**AVERAGE LIVE WEIGHT 283.57**
**AVERAGE CARCASS WEIGHT 212.09**

**PACKER OWNED:**
**HEAD COUNT 170,984**
**VERAGE LIVE WEIGHT 273.49**
**AVERAGE CARCASS WEIGHT 207.89**

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**OCTOBER /DECEMBER LEAN HOG SPREAD –**
**DECEMBER/FEBRUARY LEAN HOG SPREAD –**
**OCTOBER 2023 LEAN HOGS –**
**DECEMBER 2023 LEAN HOGS –**

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**BEEF: NET SALES OF 15,100 MT FOR 2023 WERE UP 2 PERCENT FROM THE PREVIOUS WEEK, BUT DOWN 13 PERCENT FROM THE PRIOR 4-WEEK AVERAGE. INCREASES WERE PRIMARILY FOR SOUTH KOREA (4,600 MT, INCLUDING DECREASES OF 400 MT), CHINA (3,200 MT, INCLUDING DECREASES OF 100 MT), JAPAN (2,700 MT, INCLUDING DECREASES OF 300 MT), MEXICO (1,600 MT, INCLUDING DECREASES OF 100 MT), AND TAIWAN (700 MT, INCLUDING DECREASES OF 100 MT). TOTAL NET SALES OF 100 MT FOR 2024 WERE REPORTED FOR JAPAN. EXPORTS OF 15,800 MT WERE DOWN 2 PERCENT FROM THE PREVIOUS WEEK AND 4 PERCENT FROM THE PRIOR 4-WEEK AVERAGE. THE DESTINATIONS WERE PRIMARILY TO SOUTH KOREA (4,200 MT), JAPAN (3,500 MT), CHINA (2,800 MT), MEXICO (1,600 MT), AND TAIWAN (1,100 MT).**

**PORK: NET SALES OF 28,700 MT FOR 2023 WERE UP 29 PERCENT FROM THE PREVIOUS WEEK AND 36 PERCENT FROM THE PRIOR 4-WEEK AVERAGE. INCREASES WERE PRIMARILY FOR MEXICO (9,400 MT, INCLUDING DECREASES OF 300 MT), JAPAN (4,900 MT, INCLUDING DECREASES OF 200 MT), CHINA (3,500 MT, INCLUDING DECREASES OF 100 MT), CANADA (3,100 MT, INCLUDING DECREASES OF 400 MT), AND SOUTH KOREA (3,000 MT, INCLUDING DECREASES OF 1,000 MT). TOTAL NET SALES OF 2,800**

**MT FOR 2024 WERE FOR SOUTH KOREA. EXPORTS OF 28,600 MT WERE UP 7 PERCENT FROM THE PREVIOUS WEEK AND 11 PERCENT FROM THE PRIOR 4-WEEK AVERAGE. THE DESTINATIONS WERE PRIMARILY TO MEXICO (13,100 MT), CHINA (3,600 MT), JAPAN (3,300 MT), SOUTH KOREA (2,400 MT), AND CANADA (1,700 MT).**
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***CHARTS FROM ESIGNAL INTERACTIVE, INC*.**

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