

Daily Futures Market Commentary Livestock Outlook

TUESDAY MORNING SEPTEMBER 12, 2023 LIVESTOCK REPORT

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CATTLE

SEPTEMBER 11, 2023	125,000
WEEK AGO	3,000
YEAR AGO	126,000

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2:00 PM SEPTEMBER 11, 2023

BOXED BEEF	CHOICE	SELECT
CURRENT CUTOUT VALUES:	310.11	285.44
CHANGE FROM PRIOR DAY:	(2.79)	(0.61)
CHOICE/SELECT SPREAD:		24.67
TOTAL LOAD COUNT (CUTS, TRIMMINGS, GRINDS)		126
5 DAY SIMPLE AVERAGE:	313.62	287.93

CME BOXED BEEF INDEX ON 09/08/2023 WAS 306.73 DOWN 29 CENTS FROM PREVIOUS DAY

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2:00 PM SEPTEMBER 11, 2023

PRIMAL RIB	517.31	434.09
PRIMAL CHUCK	257.72	246.54
PRIMAL ROUND	273.01	268.89
PRIMAL LOIN	381.14	331.74
PRIMAL BRISKET	254.00	244.85
PRIMAL SHORT PLATE	207.97	207.97
PRIMAL FLANK	164.00	164.10

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LOAD COUNT AND CUTOFF VALUE SUMMARY

Date	Choice	Select	Trim	Grinds	Total	600-900	600-900
09/08	52	19	13	23	107	312.90	286.05 FRIDAY
09/07	110	33	3	22	167	311.66	286.17
09/06	71	28	31	22	152	313.57	287.61
09/05	69	28	0	12	109	315.48	289.54
09/01	57	17	4	11	89	314.49	290.29 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.

Choice Cuts	71.08 loads	2,843,312 pounds
Select Cuts	31.50 loads	1,260,129 pounds
Trimming	0.00 loads	0 pounds
Ground Beef	23.77 loads	950,735 pounds

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SEPTEMBER 2023 USDA LIVESTOCK REPORTS

FRIDAY, SEPTEMBER 22, 2023 - CATTLE ON FEED REPORT

MONDAY, SEPTEMBER 25, 2023 COLD STORAGE REPORT

THURSDAY, SEPTEMBER 28, 2023 - HOGS AND PIGS REPORT

ALL REPORTS AT 2:00 PM CENTRAL TIME

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New contract high closes made Monday on moderate volume. Specs actively rolling out of October. Bear spreads are widening. Remember September is a non-spot month and speculators dominate the trading.

With beef prices dropping packers are going to be reluctant buyers. During September and October traders are going to watching economic data such as the stock market and early data on holiday gift buying. Monday, boxed beef took a big hit to the down side with Choice beef \$2.79 with Chucks dropping and movement on Choice beef suggest packers are dumping beef and consumers are buying cheaper beef such as ground beef.

US beef prices remain high but prices in Brazil and Australia are dropping.

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NATIONAL WEEKLY FED CATTLE COMPREHENSIVE REPORT AUGUST 22, 2023

As of August 22, 2023 dressed steer and heifer carcasses averaged 870.3 pounds up 5.3 pound from previous week at 865.0 pounds and 4.3 pounds lower at 874.6 pounds than a year ago. The grading percent as of 8/22/23 was down at 79.6% compared to previous week at 81.0%. A year ago the grading percent was 79.9%.

https://www.ams.usda.gov/mnreports/ams_2700.pdf

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**WEEKLY FUTURES PRICE CHANGE

	09/01/2023	09/08/2023
OCTOBER 2023 LIVE CATTLE	180.15	183.22
DECEMBER 2023 LIVE CATTLE	184.17	187.42
FEBRUARY 2024 LIVE CATTLE	188.32	191.70
APRIL 2024 LIVE CATTLE	192.37	195.37
JUNE 2024 LIVE CATTLE	186.75	189.30
AUGUST 2024 LIVE CATTLE	185.37	187.55

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EXPORTS

Week Ending September 01, 2023 11,900 MT

Week Ending August 24 , 2023 18,200 MT

Week Ending August 17 , 2023 11,400 MT

Week Ending August 10 , 2023 15,100 MT

Week Ending August 3 , 2023 14,800 MT

[HTTPS://APPS.FAS.USDA.GOV/EXPORT-SALES/HIGHLITE.HTM](https://apps.fas.usda.gov/export-sales/highlite.htm)

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NATIONAL WEEKLY FED CATTLE COMPREHENSIVE REPORT SEPTEMBER 6, 2023

As of September 6, 2023 dressed steer and heifer carcasses averaged 872.9 pounds up 1.4 pounds from previous week at 871.5 pounds and 2.7 pound lower at 875.6 pounds than a year ago. The grading percent as of 9/06/23 was down at 79.4% compared to previous week at 79.7%. A year ago the grading percent was 78.6%.

https://www.ams.usda.gov/mnreports/ams_2700.pdf

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***NATIONAL DAILY DIRECT CATTLE 09/11/2023

5 DAY ACCUMULATED WEIGHTED AVG

	WEIGHT	PRICE	HEAD
LIVE STEER:	1445	\$182.54	29,173
LIVE HEIFER:	1304	\$181.46	8,136

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DRESSED STEER 433 \$289.46 10,190
DRESSED HEIFER: 838 \$289.29 2,366

DRESSED STEER WEIGHT IS WRONG UNLESS SOMEBODY WAS SELLING PYGMAY CATTLE

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USDA POSTED SUMMARY CATTLE PRICES ON 09/11/2023

IA/MN – CASH FOB – NO REPORTABLE TRADE
DRESSED DELIVERED – 290.00 ON 80 STEERS WEIGHING 940

NE – CASH FOB – NO REPORTABLE TRADE
DRESSED - NO REPORTABLE TRADE

KS – CASH – NO REPORTABLE TRADE
DRESSED - NO REPORTABLE TRADE

TX/OK/NM CASH – NO REPORTABLE TRADE
DRESSED - NO REPORTABLE TRADE

CO - **NOT REPORTED DUE TO CONFIDENTIALITY**

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DECEMBER LIVE CATTLE/ DECEMBER LEAN HOGS – NEW HIGH MADE MONDAY
OCTOBER/DECEMBER LIVE CATTLE SPREAD - BEAR SPREAD
DECEMBER/FEBRUARY SPREAD – BEAR SPREAD
OCTOBER 2023 LIVE CATTLE –
DECEMBER 2023 LIVE CATTLE –

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FEEDER CATTLE

CME FEEDER INDEX ON 09/08/2023 WAS 250.42 DOWN 1.21 FROM PREVIOUS DAY –

SEPTEMBER 2023 FEEDER CATTLE FUTURES SETTLED ON 09/11/2023 AT \$256.22

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NATIONAL FEEDER & STOCKER CATTLE SUMMARY - WEEK ENDING 09/09/2023

RECEIPTS:	Auctions	Direct	Video/Internet	Total
This Week:	121,300	51,200	75,800	248,300
Last Week:	149,800	46,100	3,400	199,300
Year Ago:	145,400	21,900	69,100	236,400

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Compared to last week, this was Labor Day week with all your major markets closed on Monday in observance of Labor Day with Oklahoma City, Joplin, Sioux Falls and Callaway Livestock all closed. Markets were mixed this week depending on locations and regions as through most of the North Central and Southeast Regions feeder cattle sales were largely steady to 5.00 higher with the South Central Regions trading mostly 1.00-3.00 lower. Yearling feeder cattle demand is noticeably better in the northern half of the country where silage cutters are and have been chopping away.

https://www.ams.usda.gov/mnreports/sj_ls850.txt

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WEEKLY FUTURES PRICE CHANGE

	09/01/2023	09/08/2023
SEPTEMBER 2023 FEEDER CATTLE	251.85	255.35
OCTOBER 2023 FEEDER CATTLE	254.65	259.15
NOVEMBER 2023 FEEDER CATTLE	256.37	260.62
JANUARY 2024 FEEDER CATTLE	255.42	259.65
MARCH 2024 FEEDER CATTLE	256.85	260.67
APRIL 2024 FEEDER CATTLE	259.80	263.65
MAY 2024 FEEDER CATTLE	261.82	265.85

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OCTOBER 2023 FEEDER CATTLE/NOVEMBER 2023 FEEDER CATTLE SPREAD –
OCTOBER 2023 FEEDER CATTLE –
NOVEMBER 2023 FEEDER CATTLE –

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HOGS

USDA ESTIMATED FEDERAL HOG SLAUGHTER

SEPTEMBER 11, 2023	480,000
WEEK AGO	2,000
YEAR AGO	480,000

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CME LEAN HOG INDEX ON 09/07/2023 WAS 86.27 UP 8 CENTS FROM PREVIOUS DAY

CME PORK CUTOUT INDEX 09/08/2023 AT 96.56 UP 97 CENTS FROM PREVIOUS DAY

THE CME LEAN HOG INDEX IS MINUS \$10.29 TO THE CME PORK INDEX.

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WEEKLY FUTURES PRICE CHANGE

	09/01/2023	09/08/2023
OCTOBER 2023 LEAN HOGS	83.05	81.52
DECEMBER 2023 LEAN HOGS	74.60	74.45
FEBRUARY 2023 LEAN HOGS	79.02	78.55
APRIL 2023 LEAN HOGS	84.47	84.07
JUNE 2024 LEAN HOGS	95.85	95.72
JULY 2024 LEAN HOGS	96.05	95.87
AUGUST 2024 LEAN HOGS	94.85	94.77

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The spread difference between the CME Lean Hog Index and the CME Pork Index is widening favoring pork. This is positive for packers.

Although it is only September 12, the CME Lean Hog Index is 3.72 above October giving futures room to the upside.

Traders are bear spreading hogs from December into 2024. This is an opportunity to establish floors.

Exports are the biggest plus for pork, but exports are dependent on Mexico. With the US Dollar strengthening exports to Japan, South Korea and Canada likely will lag into the end of the year.

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EXPORTS

WEEK ENDING SEPTEMBER 01, 2023 NET EXPORT SALES WERE 26,300 MT

WEEK ENDING AUGUST 24, 2023 NET EXPORT SALES WERE 36,900 MT

WEEK ENDING AUGUST 17, 2023 NET EXPORT SALES WERE 33,000 MT

WEEK ENDING AUGUST 10, 2023 NET EXPORT SALES WERE 28,700 MT

WEEK ENDING AUGUST 3, 2023 NET EXPORT SALES WERE 22,300 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 : 237.73

Loads TRIM/PROCESS PORK : 30.02

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2:00 AM	LOADS	CARCASS	LOIN	BUTT	PIC	RIB	HAM	BELLY
09/11/2023	267.75	99.45	97.89	119.63	80.65	118.79	93.38	130.05
CHANGE:		1.65	1.05	0.26	-0.52	2.54	0.52	5.86
FIVE DAY AVERAGE --		97.73	97.05	118.51	79.75	116.51	92.09	125.01

2:00 PM	LOADS	CARCASS	LOIN	BUTT	PIC	RIB	HAM	BELLY
09/08/2023	205.83	97.80	96.84	119.37	81.17	116.25	92.86	124.19
CHANGE		3.59	-0.50	0.92	1.50	0.68	5.00	14.30
FIVE DAY AVERAGE		96.58	96.50	117.86	79.66	115.08	91.20	121.64

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HOG REPORT - PLANT DELIVERED PURCHASE

FRIDAY, SEPTEMBER 11, 2023

<https://www.ams.usda.gov/sites/default/files/media/LMRSwineReportingHandout.pdf>

National Negotiated Carcass Price

Head Count: 1,608

Lowest price: 73.00

Highest price: 82.00

Weighted Average 79.17

Change from Previous Day 0.03 higher

Other Market Formula (Carcass)

Head Count: 41,091

Lowest Base Price: 70.40

Highest Base Price: 95.29

Weighted Average Price: 79.19

Swine/Pork Market Formula (Carcass)

Head Count 254,050

Lowest base price: 70.19

Highest Base Price: 90.36

Weighted Average Price 84.78

Other Purchase Arrangement (Carcass)

HEAD COUNT: 193,370

Lowest base price: 76.11

Highest base price: 109.97

Weighted Average Price: 87.19

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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 – FRIDAY, SEPTEMBER 8, 2023 AND SATURDAY, SEPTEMBER 9, 2023

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****PRODUCER SOLD:**

HEAD COUNT 403,176

AVERAGE LIVE WEIGHT 278.62

AVERAGE CARCASS WEIGHT 208.29

PACKER SOLD:

HEAD COUNT 52,160

AVERAGE LIVE WEIGHT 281.71

AVERAGE CARCASS WEIGHT 210.53

PACKER OWNED:

HEAD COUNT 303,388

AVERAGE LIVE WEIGHT 278.44

AVERAGE CARCASS WEIGHT 210.33

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OCTOBER /DECEMBER LEAN HOG SPREAD –

DECEMBER/FEBRUARY LEAN HOG SPREAD – BEAR SPREAD

OCTOBER 2023 LEAN HOGS –

DECEMBER 2023 LEAN HOGS –

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CHARTS FROM ESIGNAL INTERACTIVE, INC.

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