ADM Investor Services, Inc.

WEDNESDAY MORNING OCTOBER 25, 2023 LIVESTOCK REPORT

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CATTLE

OCTOBER 24, 2023	**126,000**
WEEK AGO	**127,000**
YEAR AGO	**121,000**
WEEK TO DATE	**251,000**
SAME PERIOD LAST WEEK	**251,000**
SAME PERIOD LAST YEAR (ACT)	**257,000**

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2:00 PM OCTOBER 24, 2023

BOXED BEEF	CHOICE		SELECT
CURRENT CUTOUT VALUES:	305.98		284.00
CHANGE FROM PRIOR DAY:	1.44		2.98
CHOICE/SELECT SPREAD:		21.98	
TOTAL LOAD COUNT (CUTS, TRIMMINGS, GRINDS):		101	
5 DAY SIMPLE AVERAGE:	304.61		278.84

CME BOXED BEEF INDEX ON 10/23/2023 WAS 297.21 UP 25 CENTS FROM PREVIOUS DAY
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2:00 PM OCTOBER 24, 2023

PRIMAL RIB	510.48	437.64
PRIMAL CHUCK	263.40	255.68
PRIMAL ROUND	270.99	271.91
PRIMAL LOIN	380.64	328.36
PRIMAL BRISKET	227.20	219.16
PRIMAL SHORT PLATE	176.77	176.77
PRIMAL FLANK	136.12	133.75

2:00 PM OCTOBER 23, 2023

PRIMAL RIB	524.24	431.64
PRIMAL CHUCK	263.03	253.50
PRIMAL ROUND	271.56	270.86
PRIMAL LOIN	365.24	320.89
PRIMAL BRISKET	225.09	214.72
PRIMAL SHORT PLATE	181.89	181.89
PRIMAL FLANK	135.72	134.40

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LOAD COUNT AND CUTOUT VALUE SUMMARY

Date	Choice	Select	Trim	Grinds	Total	600-900	600-900
10/23	52	20	15	18	105	304.54	281.02
10/20	83	24	10	24	140	FRIDAY 305.38	278.70 FRIDAY
10/19	98	45	6	16	164	304.12	277.48
10/18	94	44	7	28	173	303.86	278.35
10/17	86	30	19	18	153	305.14	278.63

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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.

October 24, 2023 2:00PM

Choice Cuts	61.07 loads	2,442,652 pounds
Select Cuts	20.68 loads	827,179 pounds
Trimmings	4.33 loads	173,345 pounds
Ground Beef	14.46 loads	578,286 pounds

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OCTOBER 2023 LIVE CATTLE DELIVERIES
NO DELEIVERIES AS OF 10/24/2023

DELIVERY NOTICE SERVED – OCTOBER 2023 - LIVE CATTLE
DATE 10/24/23 SETTLEMENT: $180.00
OLDEST LONG – 04/10/2023 $166.52

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OCTOBER 2023 USDA LIVESTOCK REPORTS
COLD STORAGE REPORT – WEDNESDAY, OCTOBER 25, 2023
REPORTS AT 2:00PM CENTRAL TIME

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STERLING MARKETING BEEF MARGINS WEEK ENDING OCTOBER 14, 2023
PACKER MARGIN ($ /HEAD) ($74.92) LAST WEEK ($82.53) MONTH AGO ($10.26) YEAR AGO ($72.90)
FEEDLOT MARGINS: $296.03 LAST WEEK $286.81 MONTH AGO $333.12 YEAR AGO $109.49
(Packer margin calculated using USDA Comprehensive Beef Cutout)

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Tuesday, October 31, 2023 is Last trading Day for October 2023 Cattle
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Snow storm in upper plains, and mountain states into North Dakota and western Minnesota will slow cattle movement.
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Live Cattle futures were a pogo stick Tuesday, up, down, up, down throughout the trading day. December Live Cattle had a $4.12 range to settle December up 27 cents. October was higher moving closer to cash with October 31st the last trading day.

Boxed beef was higher Tuesday morning on light sales of 48 total loads with Choice on 24 loads up $1.21 with Choice Rib primals down over $22.00, Loins up $17.50. With the volatility on the beef market and light movement it may be more helpful to follow the CME Boxed Beef Index. It is a weighted average on price and movement.

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The COF Report took many outright bullish futures traders by surprise at a time spec longs were liquidating starting around October 17th before the release of the report, a few new hedgers selling before the report taking advantage of the spreads and spec spread traders liquidating long legs of bear spreads.

Trade volume on Tuesday, just as it was Monday, was very active with December volume at 57,066 contracts and February at 30,745 contracts.

On October 31st October Live Cattle settle. From now into November, speculators will be the dominate traders. October will trade the cash markets but speculators from December on out will be the active traders. What may happen with cash cattle prices and/or boxed beef from December on out might be the opposite of what futures may do. There is close to 5 weeks before first notice day for December 2023 Live Cattle.

USDA CATTLE ON FEED REPORT OCTOBER 20, 2023

	Range	Average	Actual	Million head	
On feed Oct 1	99-100.3	99.7	101	11,580	11.42 EST
Placements in September	95.9-103.4	100.8	106	2,206	2.102 EST
Marketings in September	88-92	90.3	89	1,663	1.68 EST

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Exports need to increase. If the price of beef moving higher is due to buying for the upcoming holidays and it likely is the reason, going into 2024 after the holiday beef buying is over, beef prices will sink and bring cattle down with it.

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NATIONAL WEEKLY FED CATTLE COMPREHENSIVE REPORT OCTOBER 11, 2023

As of October 11, 2023 dressed steer and heifer carcasses averaged 883.8 pounds down .6 pound from previous week at 884.4 pounds and 2.5 pounds lower at 886.3 pounds than a year ago. The grading percent as of 10/11/23 was up to 79.7% compared to previous week at 78.5%. A year ago the grading percent was 78.5%.
https://www.ams.usda.gov/mnreports/ams_2700.pdf

****WEEKLY FUTURES PRICE CHANGE**

	10/20/2023	10/27/2023
OCTOBER 2023 LIVE CATTLE	184.27	
DECEMBER 2023 LIVE CATTLE	184.62	
FEBRUARY 2024 LIVE CATTLE	187.72	
APRIL 2024 LIVE CATTLE	190.42	
JUNE 2024 LIVE CATTLE	184.37	
AUGUST 2024 LIVE CATTLE	182.90	
FEBRUARY 2025 LIVE CATTLE	192.67	

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EXPORTS
For the week ending October 12, 2023 exports were HORRIBLE! Only 400 MT and for 2024 there were only 200 MT net sales.

Week Ending October 5, 2023 9,000 MT
Week Ending September 28, 2023 13,300 MT
Week Ending September 21, 2023 17,700 MT
Week Ending September 14, 2023 13,700 MT
HTTPS://APPS.FAS.USDA.GOV/EXPORT-SALES/HIGHLITE.HTM
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NATIONAL WEEKLY FED CATTLE COMPREHENSIVE REPORT OCTOBER 24, 2023

As of October 24, 2023, 2023 dressed steer and heifer carcasses averaged 888.1 pounds unchanged from previous week at 888.1 pounds. The grading percent as of 10/24/23 was 79.4 compared to previous week at 78.9 up .5%. On October 25, 2022 carcasses weighed 889.5 pounds and graded 79.1%.
https://www.ams.usda.gov/mnreports/ams_2700.pdf
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*****NATIONAL DAILY DIRECT CATTLE 10/24/2023**
5 DAY ACCUMULATED WEIGHTED AVG

	WEIGHT	PRICE	HEAD
LIVE STEER:	1503	$185.72	59,499
LIVE HEIFER:	1335	$186.08	23,027
DRESSED STEER	967	$293.72	11,161
DRESSED HEIFER:	876	$293.59	2,447

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USDA POSTED SUMMARY CATTLE PRICES ON 10/24/2023

IA/MN – CASH FOB – 183.00 ON 2407 STEERS, 183.00 - 184.00 FOR 667 HEIFERS
DRESSED DELIVERED – 288.00 ON 420 HEAD

NE – CASH FOB – NO REPORTABLE TRADE
DRESSED DELIVERED - 290.00 ON 262 HEAD

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

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

CO - **NOT REPORTED DUE TO CONFIDENTIALITY**

FEBRUARY 2024 LIVE CATTLE/ FEBRUARY 2024 LEAN HOGS – CATTLE SHOULD LOSE TO HOGS, HIGH COST BEEF TO CHEAP PORK

DECEMBER2023/APRIL LIVE CATTLE SPREAD – DECEMBER SHOULD GAIN ON APRIL AS DEMAND FOR BEEF FOR HOLIDAYS. IT IS BEAR SPREAD NOW

APRIL 2024/JUNE2024 LIVE CATTLE SPREAD – BULL SPREAD DOWN ON LAST SUPPORT LOOK FOR IT TO MOVE TO BEAR SPREAD

OCTOBER 2023 LIVE CATTLE – VOLUME AT 999 OPEN INTEREST AT 1663 NO DELEIVERIES OLDEST LONG AT 166.52 BACK TO 4/10/2023

DECEMBER 2023 LIVE CATTLE – HEAVY VOLUME AT 57,066 SUPPORT AT 177.00 TO 175.00 RESISTANCE AT 181.75 TO 183.00

FEBRUARY 2024 LIVE CATTLE – SUPPORT AT 179.75 TO 177.25 RESISTANCE AT 184.75 TO 187.00

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FEEDER CATTLE

CME FEEDER INDEX ON 10/23/2023 WAS 242.12 DOWN 1.44 FROM PREVIOUS DAY –

OCTOBER 2023 FEEDER CATTLE FUTURES SETTLED ON 10/24/2023 AT $239.42

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NATIONAL FEEDER & STOCKER CATTLE SUMMARY - WEEK ENDING 10/21/2023

RECEIPTS:	Auctions	Direct	Video/Internet	Total
This Week:	259,100	35,500	35,700	330,300
Last Week:	206,000	45,000	7,200	258,200
Year Ago:	241,100	28,700	29,800	299,600

Compared to last week, steers and heifers in the Southeast sold 2.00 to 5.00 higher, while the North Central and South-Central regions were 2.00 to 4.00 lower. Moderate to good demand for steer and heifer calves, dependent upon them having received two rounds of preconditioning shots. Large calf runs are underway in the Plains and it's that time of year where the bulk of the receipts are bawling calves coming right off the cow. Farmer feeders are ready to receive these calves as they have made good progress with their grain harvest. Good demand for yearlings as the supply tightens but the pressure on the futures contracts is causing uncertainty to creep in.

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

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WEEKLY FUTURES PRICE CHANGE

	10/13/2023	10/20/2023
OCTOBER 2023 FEEDER CATTLE	249.87	241.82
NOVEMBER 2023 FEEDER CATTLE	251.57	242.22
JANUARY 2024 FEEDER CATTLE	252.25	243.05
MARCH 2024 FEEDER CATTLE	254.92	245.72
APRIL 2024 FEEDER CATTLE	259.27	249.90
MAY 2024 FEEDER CATTLE	262.72	253.25
AUGUST 2024 FEEDER CATTLE	271.50	26.45

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JANUARY 2024 FEEDER CATTLE/MARCH 2024 FEEDER CATTLE SPREAD – BEAR SPREAD

NOVEMBER 2023 FEEDER CATTLE – SUPPORT AT 233.50 RESISTANCE AT 240.50

JANUARY 2024 FEEDER CATTLE - RSI AT 20 IS DUE FOR A BOUNCE SUPPORT AT 233.37 RESISTANCE AT 240.75

MARCH 2024 FEEDER CATTLE – SUPPORT AT 234.55 THE LOW ON JUNE 21, 2023 RESISTANCE AT 243.50 TO 248.00

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HOGS

USDA ESTIMATED FEDERAL HOG SLAUGHTER

OCTOBER 24, 2023	**483,000**
WEEK AGO	**483,000**
YEAR AGO	**492,000**
WEEK TO DATE	**962,000**
SAME PERIOD LAST WEEK	**963,000**
SAME PERIOD LAST YEAR (ACT)	**974,000**

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CME LEAN HOG INDEX ON 10/20/2023 WAS 79.07 DOWN 72 CENTS FROM PREVIOUS DAY

CME PORK CUTOUT INDEX 10/23/2023 AT 88.26 DOWN 44 CENTS FROM PREVIOUS DAY

THE CME LEAN HOG INDEX IS MINUS $9.19 TO THE CME PORK INDEX.

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WEEKLY FUTURES PRICE CHANGE

	10/13/2023	**10/20/2023**	
DECEMBER 2023 LEAN HOGS	**69.50**	**66.00**	**-3.50**
FEBRUARY 2023 LEAN HOGS	**74.35**	**70.42**	**-3.92**
APRIL 2023 LEAN HOGS	**81.30**	**76.90**	**-4.40**
JUNE 2024 LEAN HOGS	**94.67**	**90.77**	
JULY 2024 LEAN HOGS	**95.80**	**92.32**	
AUGUST 2024 LEAN HOGS	**95.47**	**92.15**	

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Pork fell Tuesday morning and the CME Pork Index to the CME Lean Hog Index narrowed. The pork market can't except large loads to the daily market and when daily load movement is often above 320 loads, the pork carcass price is lower. The pork market is dependent on previously contracted pork. Weights have been moving up as kill is up. Loins on the on the 5 day average were at $90.51 and on the daily morning sales were at $89.51 and hams on the 5 day average were $80.74 and the daily morning price at $81.44. Pork is cheap! Consumers go out to eat and buy a rack of ribs for $25.00 to $30.00 or more but don't buy a boneless whole loin for $20.00 to $25.00.

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With the increasing hog slaughter in 2023 exports MUST remain strong. However, it should be recalled the strength in 2023 exports come after weak exports in 2022. In 2023 pork exports are up 11% at 1,913,338 MT. In 2022 January through August pork exports were down 15% at 1,721,000 MT.

EXPORTS REMAIN STRONG. FOR THE WEEK ENDING OCTOBER 12, 2023 NET EXPORT SALES WERE 30,700 MT WITH MEXICO TAKING 9100 MT, JAPAN TOOK 6200 MT SOUTH KOREA WAS THIRD WITH 4000MT AND CHINA BOUGHT 2000 MT. COLUMBIA HAS BECOME A LARGER BUYER RECENTLY TAKING 1900 MT BUT COLUMBIA HAS A NEW AGREEMENT WITH CHINA TO SELL MORE BEEF GOING FORWARD. FOR 2024 NET SALES WERE JUST 900 MT.

WEEK ENDING OCTOBER 5, 2023 NET EXPORT SALES WERE 21,100 MT
WEEK ENDING SEPTEMBER 28, 2023 NET EXPORT SALES WERE 43,000 MT
WEEK ENDING SEPTEMBER 21, 2023 NET EXPORT SALES WERE 27,400 MT
WEEK ENDING SEPTEMBER 14, 2023 NET EXPORT SALES WERE 30,200 MT
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STERLING PORK PROFIT TRACKER WEEK ENDING - OCTOBER 14, 2023
PACKER MARGINS $24.83 LAST WEEK $32.98 MONTH AGO $27.82 YEAR AGO $14.63
FARROW TO FINISH MARGINS ($10.80) LAST WEEK ($14.68) MONTH AGO ($2.92) YEAR AGO $6.03
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% lean, 0.55"-0.70" BF Last Rib

LOADS PORK CUTS : 306.34
LOADS TRIM/PROCESS PORK : 45.50

2:00 PM	LOADS	CARCASS	LOIN	BUTT	PIC	RIB	HAM	BELLY
10/24/2023	351.85	86.59	89.62	101.35	70.57	110.82	80.64	104.41
CHANGE:		-1.96	-0.90	-3.37	-5.10	1.07	0.04	-5.39
FIVE DAY AVERAGE --		87.64	90.53	105.68	73.49	110.20	80.58	106.13

11:00 AM	LOADS	CARCASS	LOIN	BUTT	PIC	RIB	HAM	BELLY
10/24/2023	239.49	87.26	89.51	103.51	73.53	111.15	81.44	103.98
CHANGE:		-1.29	-1.01	-1.21	-2.14	1.40	0.84	-5.82
FIVE DAY AVERAGE --		87.77	90.51	106.12	74.08	110.26	80.74	106.04

2:00 PM	LOADS	CARCASS	LOIN	BUTT	PIC	RIB	HAM	BELLY
10/23/2023	281.09	88.55	90.52	104.72	75.67	109.75	80.60	109.80
CHANGE:		0.58	-0.65	-3.15	4.83	0.94	-2.50	4.45
FIVE DAY AVERAGE --		88.23	91.40	107.12	75.31	110.79	80.46	106.74

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HOG REPORT - PLANT DELIVERED PURCHASE
OCTOBER 24, 2023
https://www.ams.usda.gov/sites/default/files/media/LMRSwineReportingHandout.pdf

National Negotiated Carcass Price
Head Count: 7,052
Lowest price: 66.00
Highest price: 74.00
Weighted Average 72.58
Change from Previous Day -0.84 lower

Other Market Formula (Carcass)
Head Count: 18,490
Lowest Base Price: 59.00
Highest Base Price: 79.79
Weighted Average Price: 66.57

Swine/Pork Market Formula (Carcass)
Head Count 126,875
Lowest base price: 67.52
Highest Base Price: 82.25
Weighted Average Price 77.00

Other Purchase Arrangement (Carcass)
HEAD COUNT: 66,271
Lowest base price: 60.72
Highest base price: 108.92
Weighted Average Price: 80.15

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***NATIONAL DAILY DIRECT HOG PRIOR DAY REPORT - SLAUGHTERED SWINE**
HTTPS://WWW.AMS.USDA.GOV/MNREPORTS/AMS_2511.PDF

SLAUGHTER DATA – OCTOBER 23, 2023

****PRODUCER SOLD:**
HEAD COUNT 233,966
AVERAGE LIVE WEIGHT 282.62
AVERAGE CARCASS WEIGHT 210.89

PACKER SOLD:
HEAD COUNT 33,802
AVERAGE LIVE WEIGHT 284.09
AVERAGE CARCASS WEIGHT 212.97

PACKER OWNED:
HEAD COUNT 182,671
AVERAGE LIVE WEIGHT 281.58
AVERAGE CARCASS WEIGHT 212.80

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DECEMBER/FEBRUARY LEAN HOG SPREAD – BEAR SPREAD DECEMBER SHOULD GAIN ON FEBRUARY AS PORK NEEDS FOR HOLIDAY BUT SO FAR, HAM DEMAND REMAINS LOW

FEBRUARY/APRIL LEAN HOG SPREAD - BEAR SPREAD

DECEMBER 2023 LEAN HOGS – VOLUME MODERATE AT 24,517 RSI AT 35 NOT OVERSOLD RESISTANCE AT 67.30 TO 68.00

FEBRUARY 2024 LEAN HOGS – NEW CONTRACT LOW ALSO FOR APRIL RSI AT 31 RESISTANCE AT 70.80 TO 72.00

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CHARTS FROM ESIGNAL INTERACTIVE, INC.

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