ADM

ADM Investor Services, Inc.

Daily Futures Market Commentary
Livestock Outlook

MONDAY MORNING FEBRUARY 5, 2024 LIVESTOCK REPORT

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CATTLE

FEBRUARY 2, 2024	**124,000**
WEEK AGO	**121,000**
YEAR AGO	**121,131**
SATURDAY 02/03/2024	**8,000 A WEEK AGO 5,000, YEAR AGO 19,880**
WEEK TO DATE (EST)	**637,000**
SAME PERIOD LAST WEEK (EST)	**618,000**
SAME PERIOD LAST YEAR (ACT)	**637,079**
2024 YEAR TO DATE	**2,947,511**
2023 YEAR TO DATE	**3,162,947**
PERCENT CHANGE YEAR TO DATE	**-6.8% PREVIOUS WEEK -8.1%**

https://www.ams.usda.gov/mnreports/ams_3208.pdf

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2:00 PM FEBRUARY 2, 2024

BOXED BEEF	**CHOICE**		**SELECT**
CURRENT CUTOUT VALUES:	**293.08**		**283.47**
CHANGE FROM PRIOR DAY:	**(1.86)**		**0.22**
CHOICE/SELECT SPREAD:		**9.61**	
TOTAL LOAD COUNT (CUTS, TRIMMINGS, GRINDS):		**147**	
5 DAY SIMPLE AVERAGE:	**297.10**		**286.48**

CME BOXED BEEF INDEX ON 02/01/2024 WAS 294.52 DOWN 1.10 FROM PREVIOUS DAY

CME BOXED BEEF INDEX ON 01/25/2024 WAS 296.83

2:00 PM February 2, 2024

PRIMAL RIB	**462.06**	**414.61**
PRIMAL CHUCK	**256.67**	**248.86**
PRIMAL ROUND	**243.51**	**244.22**

PRIMAL LOIN	374.29	366.36
PRIMAL BRISKET	240.21	233.90
PRIMAL SHORT PLATE	194.53	194.53
PRIMAL FLANK	141.78	140.43

2:00 PM JANUARY 26, 2024 PREVIOUS WEEK

PRIMAL RIB	470.17	418.30
PRIMAL CHUCK	267.70	263.87
PRIMAL ROUND	246.66	248.26
PRIMAL LOIN	384.41	361.35
PRIMAL BRISKET	249.49	250.22
PRIMAL SHORT PLATE	194.89	194.89
PRIMAL FLANK	139.41	144.02

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LOAD COUNT AND CUTOUT VALUE SUMMARY

Date	Choice	Select	Trim	Grinds	Total		
02/01	91	11	5	21	128	294.94	283.25
01/31	68	18	13	14	113	294.54	284.17
01/30	82	32	3	17	134	296.07	287.05
01/29	43	12	0	13	68	299.42	288.82
01/26	51	12	4	9	76	FRIDAY 300.53	289.13 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.

February 2, 2024

Choice Cuts	106.91 loads	4,276,475 pounds
Select Cuts	21.91 loads	876,390 pounds
Trimmings	5.16 loads	206,340 pounds
Ground Beef	13.48 loads	539,179 pounds

Cattle slaughter was 19,000 head compared to the previous week. Packers paid $177.00 to $179.00 up $3.00 to some instances $4.00 higher. Dressed prices $280.00 up $3.00 . There are muddy cattle in the Midwest at $276.00 with docks.

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Boxed beef prices were lower for the week as packers brought more cattle to slaughter. Weights are down and packers need to bring in more cattle for slaughter to meet tonnage lost due to subzero temperatures. Weights should increase as weather in many areas is above normal.

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USDA NATIONAL STEER & HEIFER ESTIMATED GRADING PERCENT REPORT
https://www.ams.usda.gov/mnreports/nw_ls196.txt Full Report

For Week Ending: January 20, 2024

	Nebraska	Kansas	Texas
Prime	12.85%	7.06%	4.56%
Choice	74.52%	77.53%	64.52%
Select	8.21%	12.19%	29.03%
Other	4.42%	3.21%	1.89%

For Week Ending: January 13, 2024

	Nebraska	Kansas	Texas
Prime	12.99%	7.04%	4.05%
Choice	74.97%	77.37%	66.25%
Select	8.08%	12.22%	27.50%
Other	3.96%	3.37%	2.20%

EXPORTS
A year ago total January 2023 exports were 100,942 MT.

For week ending January 25, 2024 net exports were 16,700 MT

Week Ending January 18, 2024	22,400 MT
Week Ending January 11, 2024	21,400 MT
Week Ending January 4, 2024	12,200 MT
Week Ending December 28, 2023	9,500 MT

HTTPS://APPS.FAS.USDA.GOV/EXPORT-SALES/HIGHLITE.HTM
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NATIONAL WEEKLY FED CATTLE COMPREHENSIVE REPORT JANUARY 30, 2024
As of January 30, 2024, dressed steer and heifer carcasses averaged 874.7 pounds down 13.1 pounds from previous week and 26.5 pounds in 2 weeks, but down 9 pounds from a year ago. The grading percent as of 01/30/24 was 82.9% compared to previous week at 83.5% down .6%. On January 31, 2023 carcasses weighed 883.7 pounds and graded 84.9%.
https://www.ams.usda.gov/mnreports/ams_2700.pdf

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***NATIONAL DAILY DIRECT CATTLE 02/02/2024
5 DAY ACCUMULATED WEIGHTED AVG

	WEIGHT	PRICE	HEAD
LIVE STEER:	1479	$177.42	22,668

LIVE HEIFER: 1313 $177.56 12,225
DRESSED STEER 939 $279.70 10,959
DRESSED HEIFER: 855 $280.34 3,744
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USDA POSTED SUMMARY CATTLE PRICES ON 02/02/2024
STEER AND HEIFER COMBINED PRICES

IA/MN – CASH FOB – 176.00 - 178.50 AVE PRICE 177.51
DRESSED DELIVERED – 280.00 ON 686 HEAD
LIVE DELIVERED – 179.00 ON 148 HEAD OF HEIFERS
DRESSED FOB - NO REPORTABLE TRADE

NE – CASH FOB – 176.00 - 177.00 ON 435 HEAD STEERS AND HEIFERS
CASH FOB - NO REPORTABLE TRADE
DRESSED FOB - NO REPORTABLE TRADE
DRESSED DELIVERED - 280.00 - 280.75 STEERS, HEIFERS AND MIXED LOAD ON 980 HEAD

KS – CASH – 179.00 ON 142 HEAD ON FRIDAY MIXED LOAD AVE WEIGHT 1206.5 POUNDS
DRESSED DELIVERED - NO REPORTABLE TRADE

TX/OK/NM CASH – NO SALES FRIDAY

COLORADO - **INFORMATION NOT AVAILABLE DUE TO CONFIDENTIALITY**
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APRIL 2024 LIVE CATTLE/ APRIL 2024 LEAN HOGS –
APRIL 2024/JUNE 2024 LIVE CATTLE SPREAD –
FEBRUARY 2024 LIVE CATTLE –
APRIL 2024 LIVE CATTLE –
JUNE 2024 LIVE CATTLE –
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FEEDER CATTLE

CME FEEDER INDEX ON 02/01/2024 WAS 239.17 UP 1.22 FROM PREVIOUS DAY
CME FEEDER INDEX ON 01/25/2024 WAS 232.06

MARCH 2024 FEEDER CATTLE FUTURES SETTLED ON 02/02/2024 AT $244.80

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HIGHER FEEDER CATTLE PRICES ARE BEING SUPPORTED BY CONTRACT AND PACKER OWNED FEEDLOTS. LOWER GRAIN PRICES HELP AND SEEING SOME SMALLER TRYING TO BUY FEEDERS AND GRAIN PRICES FALL IN THE MIDWEST VERSUS SELLING CORN AS THEY DID LAST YEAR.
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APRIL 2024 FEEDER CATTLE/MAY 2024 FEEDER CATTLE SPREAD –
MARCH 2024 FEEDER CATTLE –
MAY 2024 FEEDER CATTLE –
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HOGS

USDA ESTIMATED FEDERAL HOG SLAUGHTER

FEBRUARY 2, 2024	487,000
WEEK AGO	475,000
YEAR AGO	482,328
SATURDAY 02/03/2024	249,000- A WEEK AGO 279,000 YEAR AGO 170,932
WEEK TO DATE (EST)	2,691,000
SAME PERIOD LAST WEEK (EST)	2,689,000
SAME PERIOD LAST YEAR (ACT)	2,590,022
2024 YEAR TO DATE	12,537,052
2023 *YEAR TO DATE	12,713,102
YEAR TO DATE PERCENT CHANGE	-1.4% PREVIOS WEEK -2.3%

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CME LEAN HOG INDEX ON 01/31/2024 WAS 72.71 UP 33 CENTS FROM PREVIOUS DAY
CME LEAN HOG INDEX ON 01/24/2024 WAS 69.67

CME PORK CUTOUT INDEX 02/01/2024 AT 88.63 DOWN 211 CENTS FROM PREVIOUS DAY
CME PORK CUTOUT INDEX 01/25/2024 AT 88.84

THE CME LEAN HOG INDEX IS MINUS $15.92 TO THE CME PORK INDEX. 01/31/2024
THE CME LEAN HOG INDEX IS MINUS $19.17 TO THE CME PORK INDEX. 01/26/2024
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Strong exports definitely are helping the hog market.
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Packers are making money but when kill increases, packer margins drop so packers are going to control slaughter. They will fill previously contracted pork orders and buy hogs to supply the daily pork orders. They are going to build excessive supplies of pork.

The pork market is being supported by a strong belly market and likely it is higher due to strong exports possibly with China buying pork and especially for the Lunar holiday.

The CME Lean Hog Index to the CME Pork Index and has been narrowing but still shows a very positive packer margin. But last week it did narrow and at $15.92 it narrowed $3.25. It is something that needs

to be watched. At $15.92 packer profits are a strong positive but if it continues to narrow, packers will fight the market.

February 2024 Lean Hogs are $2.75 over the CME Lean Hog Index.

April settled $8.37 over February.

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EXPORTS

THE MEXICAN PESO REMAINS STRONG. IT'S POSITIVE AND SHOULD KEEP EXPORTS MOVING TO MEXICO.

A YEAR AGO TOTAL PORK EXPORTS FOR ALL OF JANUARY 2023 WERE 236,767 MT.

WEEK ENDING JANUARY 18, 2024 NET EXPORTS WERE 24,100 MT
WEEK ENDING JANUARY 11, 2024 NET EXPORTS WERE 33,400 MT
WEEK ENDING JANUARY 4, 2024 NET EXPORTS WERE 23,300 MT
WEEK ENDING DECEMBER 28, 2023 NET EXPORTS WERE 17,800 MT
WEEK ENDING DECEMBER 21, 2023 NET EXPORTS WERE 23,800 MT
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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 : 280.26
Loads TRIM/PROCESS PORK : 38.27

2:00 PM	LOADS	CARCASS	LOIN	BUTT	PIC	RIB	HAM	BELLY
01/31/2024	318.53	88.40	84.55	97.81	61.14	131.36	70.93	143.96
CHANGE:		-0.19	0.34	-2.90	-1.53	-1.48	-3.50	7.09
FIVE DAY AVERAGE --		88.43	84.57	97.68	63.18	132.21	70.72	142.90

PREVIOUS WEEK

2:00 PM	LOADS	CARCASS	LOIN	BUTT	PIC	RIB	HAM	BELLY
01/26/2024	269.79	89.51	86.03	101.55	64.99	127.98	70.25	144.97
CHANGE:		0.60	0.51	3.71	0.54	-2.21	0.44	0.41
FIVE DAY AVERAGE --		89.10	85.79	100.63	65.25	128.59	71.13	141.19

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HOG REPORT - PLANT DELIVERED PURCHASE FEBRUARY 2, 2024

National Negotiated Price
Head Count: 5,206
Lowest price: 57.00
Highest price: 67.00
Weighted Average 61.76
Change from Previous Day -1.59 lower

Other Market Formula (Carcass)
Head Count: 34,976
Lowest Base Price: 60.31
Highest Base Price: 95.25
Weighted Average Price: 79.69

Swine/Pork Market Formula (Carcass)
Head Count   182,682
Lowest base price: 52.68
Highest Base Price: 81.72
Weighted Average Price 72.82

Other Purchase Arrangement (Carcass)
HEAD COUNT: 58,424
Lowest base price: 67.38
Highest base price: 101.26
Weighted Average Price: 78.77

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

SLAUGHTER DATA –   FEBRUARY 01, 2024

****PRODUCER SOLD:**
HEAD COUNT 243,425
AVERAGE LIVE WEIGHT   288.70
AVERAGE CARCASS WEIGHT   215.80

PACKER SOLD:
HEAD COUNT   36,343
AVERAGE LIVE WEIGHT 292.68
AVERAGE CARCASS WEIGHT 220.19

PACKER OWNED:
HEAD COUNT   172,873
AVERAGE LIVE WEIGHT 288.99
AVERAGE CARCASS WEIGHT 220.04

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FEBRUARY/APRIL LEAN HOG SPREAD –
OCTOBER/DECEMBER 2024 LEAN HOG SPREAD –
FEBRUARY 2024 LEAN HOGS –
APRIL 2024 LEAN HOGS –
JUNE 2024 LEAN HOGS –
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CHARTS FROM ESIGNAL INTERACTIVE, INC.

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