



ADM Investor
Services, Inc.

Daily Futures Market Commentary Livestock Outlook

FRIDAY MORNING FEBRUARY 23, 2024 LIVESTOCK REPORT

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BEEF AND PORK EXPORT HIGHLIGHTS ON LAST PAGE

CATTLE

FEBRUARY 22 2024	123,000
WEEK AGO	123,000
YEAR AGO	120,229
WEEK TO DATE	472,000
PREVIOUS WEEK	486,000
2023 WEEK TO DATE	473,476
YTD 2024	4,636,748
YTD 2023	4,889,540
YTD% CHANGE	-5.3%

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

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2:00 PM FEBRUARY 22, 2024

BOXED BEEF	CHOICE	SELECT
CURRENT CUTOFF VALUES:	299.79	285.81
CHANGE FROM PRIOR DAY:	1.99	1.35
CHOICE/SELECT SPREAD:		13.98
TOTAL LOAD COUNT (CUTS, TRIMMINGS, GRINDS):		143
5 DAY SIMPLE AVERAGE:	296.75	286.87

CME BOXED BEEF INDEX ON 02/21/2024 WAS \$294.66 UP 38 CENTS FROM PREVIOUS DAY

2:00 PM FEBRUARY 22, 2024

PRIMAL RIB	454.07	414.22
PRIMAL CHUCK	262.72	251.28
PRIMAL ROUND	255.96	250.20

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PRIMAL LOIN	388.68	367.19
PRIMAL BRISKET	232.76	229.38
PRIMAL SHORT PLATE	200.40	200.40
PRIMAL FLANK	140.12	139.36

2:00 PM FEBRUARY 21, 2024

PRIMAL RIB	454.43	416.07
PRIMAL CHUCK	256.78	248.81
PRIMAL ROUND	253.13	245.88
PRIMAL LOIN	390.84	368.36
PRIMAL BRISKET	232.44	227.08
PRIMAL SHORT PLATE	200.57	200.57
PRIMAL FLANK	137.26	138.83

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LOAD COUNT AND CUTOFF VALUE SUMMARY

Date	Choice	Select	Trim	Grinds	Total		
02/21	54	20	12	19	105	297.80	284.46
02/20	66	17	11	16	110	297.37	287.82
02/19	57	25	9	15	105	297.09	287.40
02/16	76	9	7	16	108	FRIDAY 296.20	286.66 FRIDAY
02/15	99	14	12	8	134	295.30	287.99

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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 22, 2024

Choice Cuts	101.19 loads	4,047,505 pounds
Select Cuts	19.39 loads	775,530 pounds
Trimmings	8.23 loads	329,345 pounds
Ground Beef	14.57 loads	582,786 pounds

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FEBRUARY 2024 LIVE CATTLE DELIVERIES

0 DELIVERIES AS OF 02/22/2024

DATE 02/22/24 SETTLEMENT: \$183.50
 OLDEST LONG – 01/25/2024 \$177.72

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FEBRUARY 2024 LIVESTOCK REPORTS
CATTLE ON FEED REPORT – FEBRUARY 23, 2024
COLD STORAGE REPORT – FEBRUARY 23, 2024
 REPORTS 2:00PM CENTRAL TIME

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CATTLE ON FEED ESTIMATES

January cattle placements seen down 11.6% from year ago, analysts say - Reuters News

	Range	Average	Million head
On feed February 1	99.4-101.1	100.1	11.716
Placements in January	81.6-94.0	88.4	1.707
Marketings in January	98.6-100.3	99.8	1.842

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Packers are cutting hours. Slaughter this week will be below 600,000 head. Cutting kill is going to hurt packers. Fixed costs along with plants paying union workers guaranteed hours is going to subtract from higher beef prices. With increasing supplies of cheap pork and consumers also shifting to poultry; will consumers continue to pay more for beef? For weeks going forward look for retailer's specials on lower grade and higher fat to lean ground beef and advertised specials for pork for the Easter.

Thursday was a good example of speculators controlling the trading. February Live Cattle are trading fundamentals but April on out especially April and June are where the speculators are the most active.

Since the last COF report traders have been anticipating fewer cattle for the spring and demand for beef to increase. Thursday on light volume Live Cattle futures opened stronger without big new money behind the trade. April moved up to \$189.20, \$1.50 higher from Wednesday's close and into a gap from \$189.10 to 190.27 but quickly reversed. On the downside volume increased. April settled on Thursday at \$186.55 down \$1.00 from Friday, February 16th close.

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Last week Kansas, Texas, New Mexico and Oklahoma sold cattle from \$178.00 to \$180.00. Sales in the Midwest were 179.00 - 183.00 averaging \$180.50. Dressed prices in IA/MN were 283.00 - 287.00.

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Cattle are recovering from the January winter freeze. Steer and heifer carcasses gained 7 pounds from the previous week and the grading percent was 1.1% higher.

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EXPORTS WEEK

FOR WEEK ENDING FEBRUARY 15, 2024 NET EXPORTS WERE 12,600 MT. JAPAN BOUGHT 4300 MT, SOUTH KOREA TOOK 2700 MT AND MEXICO BOUGHT 2100 MT. EXPORTS WERE DISAPPOINTING.

WEEK ENDING FEBRUARY 8, 2024 16,600MT
WEEK ENDING FEBRUARY 1, 2024 20,600MT
WEEK ENDING JANUARY 25, 2024 16,700 MT
WEEK ENDING JANUARY 18, 2024 22,400 MT

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

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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: 2/10/2024

	Nebraska	Kansas	Texas
Prime	13.14%	7.00%	4.44%
Choice	73.21%	77.68%	66.31%
Select	8.99%	12.37%	27.26%
Other	4.66%	2.96%	1.99%

For Week Ending: 2/3/2024

	Nebraska	Kansas	Texas
Prime	12.48%	7.04%	4.42%
Choice	73.47%	77.23%	64.84%
Select	9.28%	12.69%	28.59%
Other	4.77%	3.04%	2.15%

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NATIONAL WEEKLY FED CATTLE COMPREHENSIVE REPORT FEBRUARY 20, 2024

As of February 20 2024, dressed steer and heifer carcasses averaged 874.5 pounds down 1.7 pounds from previous week and up 1.9 pounds from a year ago. The grading percent as of 02/20/24 was 84.0 % compared to previous week at 84.1%. On February 21, 2023 carcasses weighed 872.6 pounds and graded 85.4%

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

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***NATIONAL DAILY DIRECT CATTLE 02/22/2024

5 DAY ACCUMULATED WEIGHTED AVG

	WEIGHT	PRICE	HEAD
LIVE STEER:	1511	\$180.61	25,761
LIVE HEIFER:	1372	\$180.47	11,033
DRESSED STEER	935	\$286.68	6,440
DRESSED HEIFER:	852	\$287.76	3,286

**USDA POSTED SUMMARY CATTLE PRICES ON 02/22/2024
STEER AND HEIFER COMBINED PRICES UNLESS NOTED**

**IA/MN – CASH FOB – 180.00 ON 76 STEERS WEIGHING 1650 POUNDS
CASH FOB – 180.00 ON 120 HEIFERS WEIGHING 1350 POUNDS
DRESSED DELIVERED – 288.00 ON 60 HEIFERS WEIGHED 868 POUNDS
LIVE DELIVERED 180.00 ON 38 HEAD
DRESSED FOB - NO REPORTABLE TRADE**

**NE – CASH FOB – NO REPORTABLE TRADE
DRESSED FOB - NO REPORTABLE TRADE.
DRESSED DELIVERED 288.00 ON 50 HEIFERS WEIGHING 873 POUNDS**

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

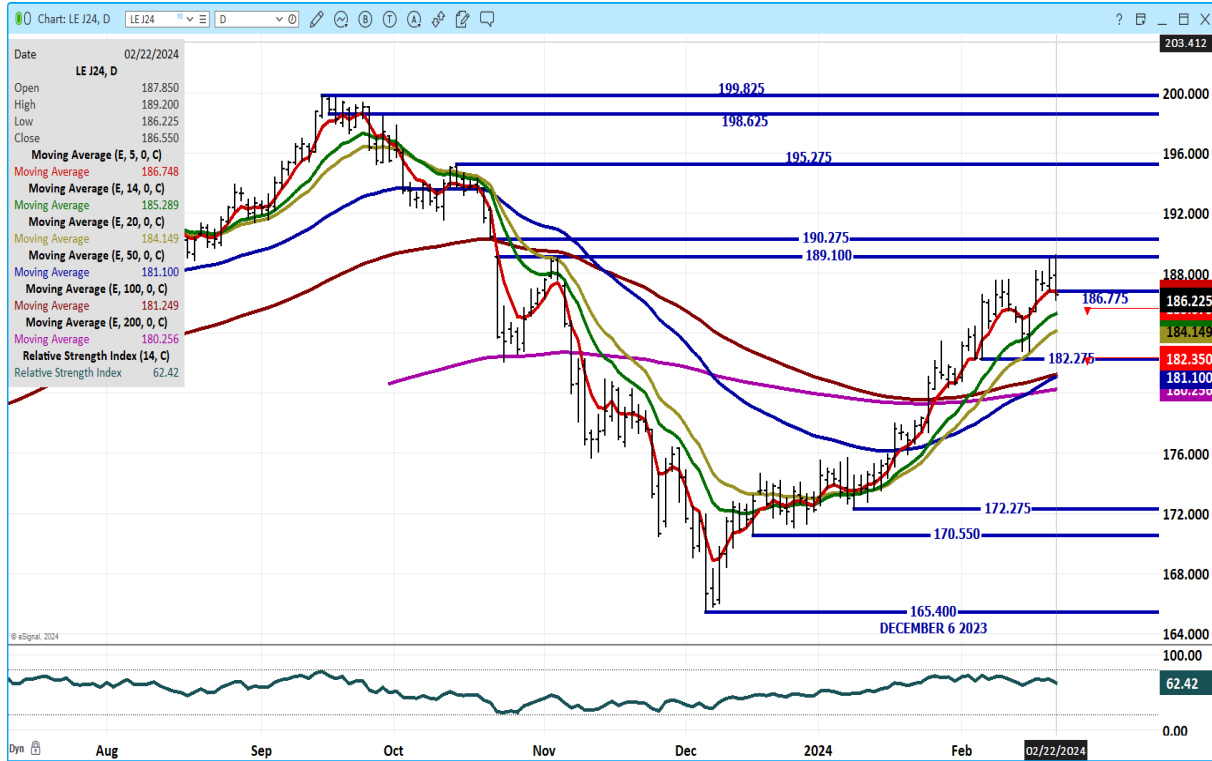
TX/OK/NM CASH – NO REPORTABLE TRADE.

COLORADO - **INFORMATION NOT AVAILABLE DUE TO CONFIDENTIALITY**

APRIL 2024/JUNE 2024 LIVE CATTLE SPREAD – MOVED TO 200 DAY MOVING AVERAGE AND MOVED LOWER.



APRIL 2024 LIVE CATTLE – NEXT SUPPORT 184.10 RESISTANCE AT 189.10 TO 190.27 VOLUME 28,816



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FEEDER CATTLE

CME FEEDER INDEX ON 02/21/2024 WAS 244.49 UP 1.83 FROM PREVIOUS DAY

MARCH 2024 FEEDER CATTLE FUTURES SETTLED ON 02/22/2024 AT \$252.05

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NATIONAL FEEDER & STOCKER CATTLE SUMMARY - WEEK ENDING 02/17/2024

RECEIPTS:	Auctions	Direct	Video/Internet	Total
This Week:	247,300	52,700	6,700	306,700
Last Week:	303,000	57,300	57,400	417,700
Year Ago:	198,900	43,000	43,400	285,300

Compared to last week, steers and heifers in the North Central and South Central regions sold steady to 5.00 higher and 5.00 to 10.00 higher in the Southeast. Demand was good. It was noted in Missouri that buyers continue to aggressively try and fill orders before grass arrives. In Nebraska reporters noted cattlemen are just hoping to get back to normal in their herd size as several have had to sell off

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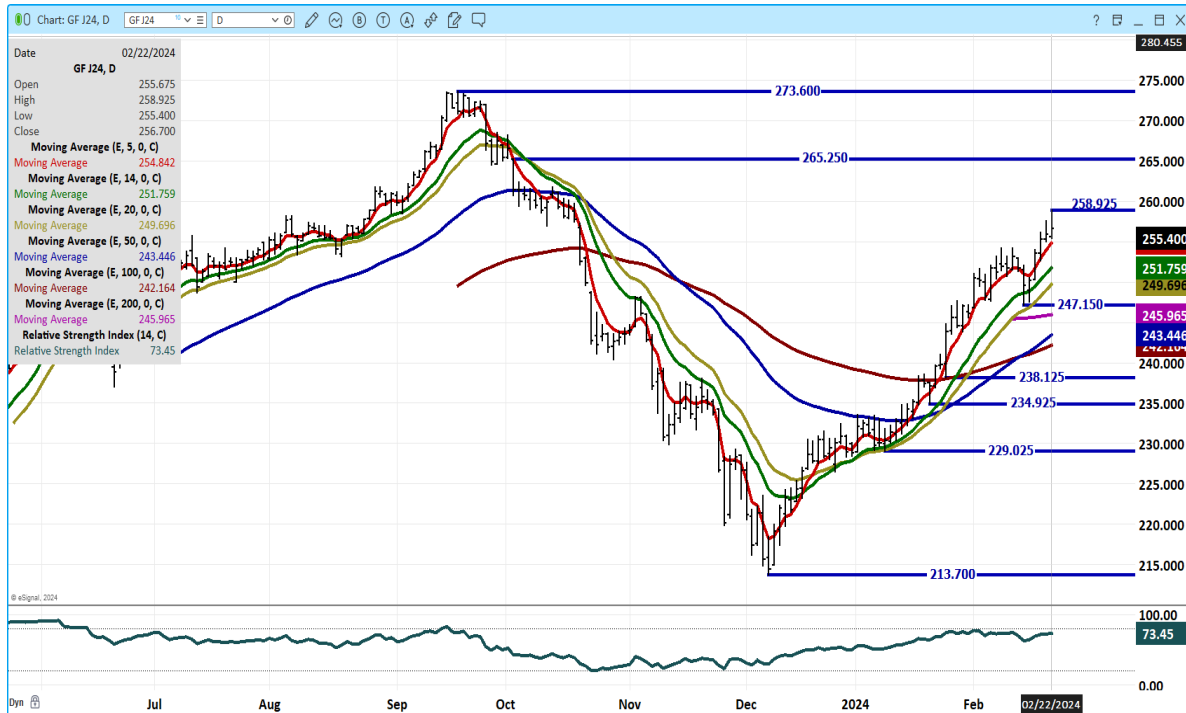
due to dry conditions over the last few years. In Oklahoma Demand remains good for calves as timely moisture and warm sunshine has pastures in good shape. The North central regions have had a bit of freeze/thaw which translates to dealing with mud on the cattle but it was noted in South Dakota that pen conditions have improved for the week.

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

APRIL/MAY FEEDER CATTLE SPREAD – BEAR SPREAD HAS BEEN NARROWING. IT WILL BE A GOOD CHART TO WATCH AFTER COF REPORT



APRIL 2024 FEEDER CATTLE – RSI AT 74. RESISTANCE 265.25 SUPPORT AT 254.80



HOGS

USDA ESTIMATED FEDERAL HOG SLAUGHTER

FEBRUARY 22, 2024	490,000
WEEK AGO	489,000
YEAR AGO	361,399
WEEK TO DATE	1,960,000
PREVIOUS WEEK	1,955,000
2023 WEEK TO DATE	1,723,837
YTD 2024	19,690,422
YTD 2023	19,401,297
YTD% CHANGE	1.5%

CME LEAN HOG INDEX ON 02/20/2024 WAS 77.97 UP 1.17 FROM PREVIOUS DAY

CME PORK CUTOUT INDEX 02/21/2024 AT 91.33 UP 91 CENTS FROM PREVIOUS DAY

THE CME LEAN HOG INDEX IS MINUS \$13.36 TO THE CME PORK INDEX. 02/21/2024

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APRIL 2024 LEAN HOGS ON FEBRUARY 22, 2024 SETTLED AT \$87.20

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June and summer month high priced compared to April and especially current prices. Thursday volume substantially increased as sellers came into lean hogs and moved prices off the high.

Slaughter is increasing and with packers working in the black they aren't hesitant to pay up for hogs especially with pork prices up better than hogs. Pork prices remain cheap and on the global market pork demand is strong. As of Thursday year to date slaughter is up 1.5% above 2023 and hog prices are higher. Hogs are benefiting from less beef, high priced beef and good exports. Big exports are the plus to the hog and pork markets, the icing on the cake.

No results for consumption for 2024 are out yet, but with higher beef prices, it is likely U.S pork demand will grow a bit.

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Last week hog slaughter compared to last week was down 63,000 head. Compared to the same week in 2023 slaughter was up 69,498 head. Year to date slaughter is up 51,063 head.

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EXPORTS

FOR WEEK ENDING FEBRUARY 15, 2024 NET EXPORTS WERE 28,900 MT. MEXICO WAS THE LARGEST BUYER WITH 13,200 MT WITH CHINA WITH 4100 MT AND CANADA THIRD TAKING 2300 MT. CHINA WAS ABSENT INDICATING LAST TWO LARGEST BUYS WERE TO REFILL STOCKS WITH LUNAR HOLIDAY AS IS A NORMAL YEARLY SEASONAL PURCHASE

WEEK ENDING FEBRUARY 8, 2024 NET EXPORTS WERE 33,736 MT ADJUSTED DOWN FROM 71,900 MT PREVIOUSLY REPORTED

WEEK ENDING FEBRUARY 1, 2024 NET EXPORTS WERE 39,200 MT

WEEK ENDING JANUARY 25, 2024 NET EXPORTS WERE 42,900 MT

WEEK ENDING JANUARY 18, 2024 NET EXPORTS WERE 24,100 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 : 191.93

Loads TRIM/PROCESS PORK : 39.04

2:00 PM	LOADS	CARCASS	LOIN	BUTT	PIC	RIB	HAM	BELLY
02/22/2024	230.97	91.89	84.24	107.20	62.97	146.80	83.11	133.25
CHANGE:		1.72	-0.77	-1.16	-2.20	1.79	4.67	6.01
FIVE DAY AVERAGE --		91.77	84.77	106.56	64.70	147.55	80.50	135.56

11:00 AM	LOADS	CARCASS	LOIN	BUTT	PIC	RIB	HAM	BELLY
02/22/2024	113.69	93.07	82.90	108.71	67.57	144.04	82.04	140.83
CHANGE:		2.90	-2.11	0.35	2.40	-0.97	3.60	13.59
FIVE DAY AVERAGE --		92.01	84.50	106.86	65.62	147.00	80.29	137.08

2:00 PM	LOADS	CARCASS	LOIN	BUTT	PIC	RIB	HAM	BELLY
02/21/2024	254.61	90.17	85.01	108.36	65.17	145.01	78.44	127.24
CHANGE:		-2.27	-0.05	1.55	0.19	-4.99	-2.53	-10.11
FIVE DAY AVERAGE --		91.35	85.23	106.13	64.38	146.35	79.58	134.76

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HOG REPORT - PLANT DELIVERED PURCHASE FEBRUARY 22, 2024

National Negotiated Price
Head Count: 4,932
Lowest price: 66.00
Highest price: 75.00
Weighted Average 73.20
Change from Previous Day 0.58 higher

Other Market Formula (Carcass)
Head Count: 24,082
Lowest Base Price: 71.24
Highest Base Price: 100.73
Weighted Average Price: 82.52

Swine/Pork Market Formula (Carcass)
Head Count 152,593
Lowest base price: 67.82
Highest Base Price: 87.14
Weighted Average Price 78.07

Other Purchase Arrangement (Carcass)
HEAD COUNT: 61,038
Lowest base price: 71.00
Highest base price: 105.38
Weighted Average Price: 82.70
<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](https://www.ams.usda.gov/mnreports/ams_2511.pdf)

SLAUGHTER DATA – FEBRUARY 21, 2024

****PRODUCER SOLD:**
HEAD COUNT 246,518
AVERAGE LIVE WEIGHT 286.81
AVERAGE CARCASS WEIGHT 214.99

PACKER SOLD:
HEAD COUNT 34,072
AVERAGE LIVE WEIGHT 284.30
AVERAGE CARCASS WEIGHT 215.18

PACKER OWNED:
HEAD COUNT 178,171
AVERAGE LIVE WEIGHT 288.15
AVERAGE CARCASS WEIGHT 219.41

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APRIL/JUNE LEAN HOG SPREAD - SPREAD NARROWING. NORMALLY SPREAD HAS JUNE ABOUT \$10.00 OVER APRIL.



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**APRIL 2024 LEAN HOGS – MOVED BACK TO END OF JUNE 2023 LEVELS NOW RESISTANCE AT 89.00
SUPPORT AT 85.70 TO 83.90 VOLUME WAS HEAVY AT 36,736 CONTRACTS**



Beef: Net sales of 12,600 MT for 2024 were down 25 percent from the previous week and 34 percent from the prior 4-week average. Increases were primarily for Japan (4,300 MT, including decreases of 200 MT), South Korea (2,700 MT, including decreases of 300 MT), Mexico (2,100 MT, including decreases of 100 MT), Canada (1,400 MT), and China (800 MT, including decreases of 100 MT). Exports of 15,700 MT were down 5 percent from the previous week and 2 percent from the prior 4-week average. The destinations were primarily to South Korea (4,100 MT), Japan (3,800 MT), China (2,500 MT), Mexico (1,800 MT), and Taiwan (1,000 MT).

Pork: Net sales of 28,900 MT for 2024 were down 14 percent from the previous week and 17 percent from the prior 4-week average. Increases were primarily for Mexico (13,200 MT, including decreases of 200 MT), Japan (4,200 MT, including decreases of 500 MT), Canada (2,300 MT, including decreases of 700 MT), South Korea (2,000 MT, including decreases of 300 MT), and Colombia (1,900 MT). Exports of 36,800 MT were down 2 percent from the previous week, but up 7 percent from the prior 4-week average. The destinations were primarily to Mexico (14,500 MT), South Korea (5,000 MT), China (4,100 MT), Japan (3,700 MT), and Colombia (1,800 MT).

Export Adjustment: Accumulated exports of pork were adjusted down 19,286 MT to China and 18,878 MT to Mexico for week ending February 8th. These shipments were reported in error.

ALL CHARTS FROM ESIGNAL INTERACTIVE, INC.

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