



ADM Investor
Services, Inc.

Daily Futures Market Commentary Livestock Outlook

TUESDAY MORNING APRIL 1, 2024 LIVESTOCK REPORT

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CATTLE

APRIL 1, 2024	109,000
WEEK AGO	118,000
YEAR AGO	120,262
2024 YEAR TO DATE	7,824,322
2023 YEAR TO DATE	8,307,961
PERCENT CHANGE YEAR TO DATE	-5.8%

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

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2:00 PM APRIL 1, 2024

BOXED BEEF	CHOICE	SELECT
CURRENT CUTOUT VALUES:	305.74	301.79
CHANGE FROM PRIOR DAY:	(0.98)	(1.64)
CHOICE/SELECT SPREAD:		3.95
TOTAL LOAD COUNT (CUTS, TRIMMINGS, GRINDS):		77
5 DAY SIMPLE AVERAGE:	309.13	301.05

CME BOXED BEEF INDEX ON 03/29/2024 WAS 307.34 DOWN 54 CENTS FROM PREVIOUS DAY

2:00 PM APRIL 1, 2024

PRIMAL RIB	454.28	450.76
PRIMAL CHUCK	250.23	257.12
PRIMAL ROUND	253.46	254.07
PRIMAL LOIN	421.30	394.70
PRIMAL BRISKET	239.02	239.04
PRIMAL SHORT PLATE	236.99	236.99
PRIMAL FLANK	150.34	148.24

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11:00 AM APRIL 1, 2024

PRIMAL RIB	453.86	450.71
PRIMAL CHUCK	249.36	258.27
PRIMAL ROUND	253.37	252.55
PRIMAL LOIN	420.64	396.80
PRIMAL BRISKET	237.38	240.38
PRIMAL SHORT PLATE	234.90	234.90
PRIMAL FLANK	150.36	148.31

2:00 PM MARCH 29, 2024

PRIMAL RIB	456.35	452.52
PRIMAL CHUCK	251.71	260.76
PRIMAL ROUND	256.61	253.89
PRIMAL LOIN	420.52	397.54
PRIMAL BRISKET	238.83	240.09
PRIMAL SHORT PLATE	233.25	233.25
PRIMAL FLANK	151.79	148.60

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LOAD COUNT AND CUTOFF VALUE SUMMARY

Date	Choice	Select	Trim	Grinds	Total			
03/29	85	13	8	8	114	FRIDAY	306.72	303.43 FRIDAY
03/28	97	14	13	25	149		308.36	301.17
03/27	104	24	5	32	166		308.58	298.43
03/26	62	25	13	23	122		311.09	300.26
03/25	58	17	6	26	108		310.89	301.96
03/22	55	7	8	16	85	FRIDAY	310.72	301.47 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.

April 1, 2024

Choice Cuts	42.89 loads	1,715,411 pounds
Select Cuts	15.91 loads	636,497 pounds
Trimming	5.34 loads	213,794 pounds
Ground Beef	12.76 loads	510,220 pounds

WEEKLY FUTURES PRICE CHANGE

	03/22/2023	03/28/2024	CONTRACT HIGH
APRIL 2024 LIVE CATTLE	187.50	185.00	199.82 9/15/2023
JUNE 2024 LIVE CATTLE	182.90	180.25	194.02 9/15/2023
AUGUST 2024 LIVE CATTLE	181.50	178.20	192.45 9/15/2023
OCTOBER 2024 LIVE CATTLE	184.45	181.37	194.67 9/15/2023
DECEMBER 2024 LIVE CATTLE	188.47	185.67	197.47 9/15/2023

FEBRUARY 2025 LIVE CATTLE	191.45	188.97	199.57 9/20/2023
APRIL 2025 LIVE CATTLE	192.92	190.72	196.40 3/14/2024

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Choice to Select boxed beef has narrowed to \$3.95. This started before Avian Flu was reported. Consumers want cheaper beef. Choice Chucks and Rounds are cheaper than Select cuts. Grinders can take Select cuts add cheap fat and make more money. Narrowing of the two grades is negative.

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BIRD FLU DETECTED IN PERSON WHO HAD CONTACT WITH INFECTED DAIRY CATTLE IN TEXAS

<https://www.msn.com/en-us/health/other/bird-flu-detected-in-person-who-had-contact-with-infected-dairy-cattle-in-texas/ar-BB1kTifM>

MICHIGAN WOMAN, 55, DIES FROM MAD COW-LIKE DISEASE THAT IS 100% DEADLY AND HAS NO KNOWN CAUSE OR CURE

<https://www.dailymail.co.uk/health/article-13261007/michigan-woman-dies-rare-fatal-brain-disease-cjd.html>

News came out late in the trading day Monday that a person in Texas had bird flu. It was a good story and traders sold Live Cattle and Feeder Cattle Monday. Headlines and what is reported use “cattle.” When the general public reads “cattle” they think of beef not dairy cows. Monday traders also bought milk futures. People are worried about all the different diseases especially since COVID. The fear factor is like a bomb when it hits the futures markets.

Tuesday morning reports talk about a woman that died because of Mad Cow Disease in Michigan. The name could incite fear along with Avian Flu if more reports take off with it.

But it wasn’t the only report. Prices have been breaking since the recent high was made on February 14th before avian flu was found in dairy cattle.

There are also reports that the lower inventory of cattle are taking down earnings of packers. Reports that are negative concern traders especially a speculator that doesn’t know the difference between a feeder cattle or fed cattle. Inflation at the grocery store with reports specifically using beef as an example of food inflation are a concern.

Cattle prices are high. Beef prices are high. The majority of cattle producers that sell on the showlist feel prices should remain high and even go higher. Charts changed last week and markets were ready to break. Cattle slaughter is down but supply is just one part of the trading equation.

With the less beef available, beef buyers will need to increase importing beef. Consumers because of high beef prices will shop for alternative proteins especially people living pay check to pay check.

With negative profit margins packers need cattle prices to drop. Packers aren't going to dig the hole much deeper. They have already slowed the chain and cut workers hours.

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Last week's slaughter was light with 586,000 head and even a light kill saw boxed beef prices dropping. Packers bought cattle 185.00 to 186.00 in the Southwest and 188.00 to 190.00 in the Midwest. Dressed prices were 298.00 to \$300.00. With beef dropping and packers reducing hours packers aren't going to be aggressive buyers. The spread between Choice and Select beef has narrowed to 3.29. This often is a negative indicator for beef and cattle prices.

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EXPORTS WEEK

EXPORTS FOR WEEK ENDING MARCH 21, 2024 WERE UP FROM A WEEK AGO AT 12,700 MT BUT IT NOT SYING MUCH. SOUTH KOREA TOOK 3400 MT THE SAME AS JAPAN WITH CHINA TAKING 2000 MT. THE PROBLEM, THE U.S. HAS LESS BEEF AND IT IS HIGH PRICED ESPECIALLY TO THE LOW CURRENCY OF JAPAN.

WEEK ENDING MARCH 14, 2024	11,200 MT
WEEK ENDING MARCH 7, 2024	11,200MT
WEEK ENDING FEBRUARY 29, 2024	14,000 MT
WEEK ENDING FEBRUARY 22, 2024	12,200 MT
WEEK ENDING FEBRUARY 15, 2024	12,600MT

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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: 3/23/2024

	Nebraska	Kansas	Texas
Prime	13.27%	8.22%	5.52%
Choice	75.46%	77.31%	66.84%
Select	6.87%	11.59%	25.70%
Other	4.40%	2.88%	1.93%

For Week Ending: 3/16/2024

	Nebraska	Kansas	Texas
Prime	11.44%	8.02%	5.06%
Choice	76.09%	77.74%	65.95%
Select	7.70%	11.46%	26.93%
Other	4.78%	2.78%	2.05%

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NATIONAL WEEKLY FED CATTLE COMPREHENSIVE REPORT MARCH 26, 2024

As of March 26, 2024, dressed steer and heifer carcasses averaged 884.3 pounds down 2.3 pounds from previous week and up 22.3 pounds from a year ago. The grading percent as of 03/26/24 was

85.3 % compared to previous week at 84.7%. On March 28, 2023 carcasses weighed 862.0 pounds and graded 85.2%.

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

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*****NATIONAL DAILY DIRECT CATTLE 04/01/2024
5 DAY ACCUMULATED WEIGHTED AVG**

	WEIGHT	PRICE	HEAD
LIVE STEER:	1487	\$188.22	28,070
LIVE HEIFER:	1369	\$188.43	16,545
DRESSED STEER	943	\$299.64	4,817
DRESSED HEIFER:	855	\$299.68	3,710

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**USDA POSTED SUMMARY CATTLE PRICES ON 04/01/2024
STEER AND HEIFER COMBINED PRICES UNLESS NOTED**

IA/MN – CASH FOB – NO REPORTABLE TRADE
DRESSED DELIVERED NO REPORTABLE TRADE
LIVE DELIVERED NO REPORTABLE TRADE
DRESSED FOB - NO REPORTABLE TRADE

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

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

TX/OK/NM CASH – NO REPORTABLE TRADE

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

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JUNE LIVE CATTLE/JUNE LEAN HOGS –
APRIL 2024 LIVE CATTLE –
JUNE 2024 LIVECATTLE -
OCTOBER 2024 LIVE CATTLE -

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FEEDER CATTLE

CME FEEDER INDEX ON 03/29/2024 WAS 247.67 UP 50 CENTS FROM PREVIOUS DAY

MARCH 2024 FEEDER CATTLE FUTURES SETTLED ON 04/01/2024 AT \$247.75

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NATIONAL FEEDER & STOCKER CATTLE SUMMARY - WEEK ENDING 03/30/2024

RECEIPTS:	Auctions	Direct	Video/Internet	Total
This Week:	129,400	23,300	5,200	157,900
Last Week:	196,400	42,200	53,100	291,700
Year Ago:	185,800	48,200	81,700	315,700

Compared to last week, steers and heifers sold uneven; 3.00 lower to 3.00 higher. The supply of feeders was light to moderate, and demand was moderate to good. An early week snowstorm and poor road conditions in the Northern Plains cancelled early week sales and late week sales were slow too as a result. More new crop fall-born calves were noted this week which were a little softer and not all weaned. These calves are not near as desirable for turn out as those that have more days weaned and carrying less flesh which had been making up most of the offering in previous weeks.

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

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WEEKLY FUTURES PRICE CHANGE

	03/22/2023	03/28/2024	CONTRACT HIGH
MARCH 2024 FEEDER CATTLE	249.95	247.75	270.10 SEPTEMBER 15, 2023
APRIL 2024 FEEDER CATTLE	251.50	247.12	273.60 SEPTEMBER 19, 2023
MAY 2024 FEEDER CATTLE	253.77	248.70	272.47 SEPTEMBER 15, 2023
AUGUST 2024 FEEDER CATTLE	264.55	258.82	282.92 SEPTEMBER 20, 2023
SEPTEMBER 2024 FEEDER CATTLE	266.05	260.72	285.90 SEPTEMBER 28, 2023
OCTOBER 2024 FEEDER CATTLE	266.65	261.77	275.17 FEBRUARY 8, 2024
NOVEMBER 2024 FEEDER CATTLE	265.80	261.60	274.70 FEBRUARY 8, 2024

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HOGS

USDA ESTIMATED FEDERAL HOG SLAUGHTER

APRIL 01, 2024	353,000
WEEK AGO	484,000
YEAR AGO	485,906
YTD 2024	33,034,884

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YTD 2023 33,004,135
 YTD% CHANGE 0.1%

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

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CME LEAN HOG INDEX ON 03/28/2024 WAS 84.60 DOWN 4 CENTS FROM PREVIOUS DAY

CME PORK CUTOUT INDEX 03/29/2024 AT 94.72 UP 5 CENTS FROM PREVIOUS DAY

THE CME LEAN HOG INDEX IS MINUS \$10.12 TO THE CME PORK INDEX 04/01/2024

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June, July, August, and October Lean Hogs made new contract highs Monday, April, 2024. The previous contract high for June 2024 Lean Hogs was \$104.95 made on December 14, 2022 the day it opened for trading.

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WEEKLY FUTURES PRICE CHANGE

	03/22/2023	03/28/2024	CONTRACT HIGH
APRIL 2023 LEAN HOGS	84.57	86.62	91.60 FEBRUARY 23, 2023
JUNE 2024 LEAN HOGS	99.70	104.45	103.95 APRIL, 1 2024
JULY 2024 LEAN HOGS	102.07	106.12	105.60 APRIL, 1 2024
AUGUST 2024 LEAN HOGS	101.47	104.70	104.52 APRIL, 1 2024
OCTOBER 2024 LEAN HOGS	86.42	88.32	87.92 APRIL, 1 2024
DECEMBER 2024 LEAN HOGS	77.75	78.62	80.65 JUNE 21, 2023
FEBRUARY 2024 LEAN HOGS	80.75	81.22	81.50 AUGUST 30, 2023

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USDA HOGS AND PIGS REPORT
 MARCH 28, 2024

	Ranges	Average	Actual
All hogs March 1	98.8-100.9	100	101
Kept for breeding	95.2-98	96.5	98
Kept for market	99-101.3	100.3	101
Pig crop			
December-February	100.4-102.5	101	102

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Weight Groups			
Under 50 lbs	99.3-102.4	101	101
50-119 lbs	97.9-102.3	99.9	101
120-179 lbs	97-101	99.7	100
Over 180 lbs	98.8-101.6	100.1	99
Farrowings			
December-February	97.7-98.4	98.1	97
Farrowing intentions			
March - May	95.8-98.9	97.7	99
June-August	95.3-100.6	97.8	98
Pigs per litter			
December-February	102.5-104.4	103.4	105
		11.38	11.53 (in 2023 11.02)

United States inventory of all hogs and pigs on March 1, 2024 was 74.6 million head. This was up 1 percent from March 1, 2023, but down 2 percent from December 1, 2023.

Breeding inventory, at 6.02 million head, was down 2 percent from last year, but up slightly from the previous quarter.

Market hog inventory, at 68.6 million head, was up 1 percent from last year, but down 2 percent from last quarter.

The December 2023-February 2024 pig crop, at 33.1 million head, was up 2 percent from last year. Sows farrowing during this period totaled 2.88 million head, down 3 percent from previous year. The sows farrowed during this quarter represented 48 percent of the breeding herd. The average pigs saved per litter was 11.53 for the December 2023-February 2024 period, compared to 11.02 last year.

United States hog producers intend to have 2.92 million sows farrow during the March-May 2024 quarter, down 1 percent from the actual farrowings during the same period one year earlier, and down 2 percent from the same period two years earlier. Intended farrowings for June-August 2024, at 2.99 million sows, are down 2 percent from the same period one year earlier, and down 3 percent from the same period two years earlier.

The total number of hogs under contract owned by operations with over 5,000 head, but raised by contractees, accounted for 52 percent of the total United States hog inventory, up 1 percent from the previous year.

The number of pigs per litter is a record.

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Lean Hogs opened lower and then reversed sending summer and October hogs to contract highs. Pork prices on the morning daily sales were also higher due to a big jump in belly prices up \$31.71. Pork sales have been light.

Fundamental traders are looking at the farrowings for December – February down and the intentions for March–May and June-August both intended to be down 1% to 2%. They aren't considering more pigs per litter.

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The gain might be due increased demand for the Easter holiday. Stores across the U.S. are showing specials for both loins and hams. There has also been a decrease in daily load movement. Over the past 5 days the largest load movement has been 274.88 loads never going over 300 loads. The big increase in pork exports to Mexico is taking pork from U.S. store shelves. However, the big pork exports last week to Mexico were likely due for Easter. If you want to travel to Mexico, go during the Easter holiday season. It is the most active holiday in Mexico lasting two weeks.

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Exports were very good. The strength of exports should benefit prices. Of course it happened last week. The Peso is strong.

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There are analysts estimating pork consumption in 2024 will add another pound. In 2023 US consumers added 1 pound of pork with largest gain for poultry up 4 pounds. If beef prices move down, it is likely so will pork.

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EXPORTS

BIG EXPORTS! WITH WEEK ENDING MARCH 21, 2024 NET EXPORTS AT 55,300 MT. MEXICO WAS A MUCH BIGGER BUYER THAN THEY HAVE BEEN BUYING TAKING 32,800MT. JAPAN TOOK 5800 MT WITH AUSTRALIA AT 5400 MT AND CANADA 5000 MT. CHINA WAS ABSENT.

WEEK ENDING MARCH 14, 2024 NET EXPORTS WERE 33,800 MT
WEEK ENDING MARCH 7, 2024 NET EXPORTS WERE 25,000 MT
WEEK ENDING FEBRUARY 29, 2024 NET EXPORTS WERE 36,400 MT
WEEK ENDING FEBRUARY 22, 2024 NET EXPORTS WERE 32,400 MT
WEEK ENDING FEBRUARY 15, 2024 NET EXPORTS WERE 28,900 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 : 188.80
 Loads TRIM/PROCESS PORK : 30.21

2:00 PM	LOADS	CARCASS	LOIN	BUTT	PIC	RIB	HAM	BELLY
04/01/2024	219.01	96.61	95.04	117.76	73.29	169.54	83.79	123.23
CHANGE:		2.95	1.37	1.31	2.55	-6.69	2.02	11.85
FIVE DAY AVERAGE --		94.84	93.50	114.39	71.23	172.03	80.53	121.41

11:00 AM	LOADS	CARCASS	LOIN	BUTT	PIC	RIB	HAM	BELLY
04/01/2024	116.55	99.43	93.59	116.62	73.13	177.34	82.58	143.09
CHANGE:		5.77	-0.08	0.17	2.39	1.11	0.81	31.71
FIVE DAY AVERAGE --		95.40	93.21	114.17	71.20	173.59	80.29	125.38

2:00 PM	LOADS	CARCASS	LOIN	BUTT	PIC	RIB	HAM	BELLY
03/29/2024	234.20	93.66	93.67	116.45	70.74	176.23	81.77	111.38
CHANGE:		-0.86	-0.71	3.12	1.46	9.29	2.49	-10.02
FIVE DAY AVERAGE --		94.66	92.86	113.72	70.93	172.82	79.08	123.87

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HOG REPORT - PLANT DELIVERED PURCHASE APRIL 1, 2024

National Negotiated Price
 Head Count: 720
 Lowest price: 75.00
 Highest price: 82.00
 Weighted Average 80.16
 Change from Previous Day NA

Other Market Formula (Carcass)
 Head Count: 36,193
 Lowest Base Price: 74.27
 Highest Base Price: 102.52
 Weighted Average Price: 90.24

Swine/Pork Market Formula (Carcass)
 Head Count 149,745
 Lowest base price: 76.21
 Highest Base Price: 87.60
 Weighted Average Price 83.04

Other Purchase Arrangement (Carcass)
 HEAD COUNT: 128,164
 Lowest base price: 78.91
 Highest base price: 98.80
 Weighted Average Price: 81.66

<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 – FRIDAY, MARCH 29, 2024 AND SATURDAY, MARCH 30, 2024

****PRODUCER SOLD:**

HEAD COUNT 214,882
AVERAGE LIVE WEIGHT 287.99
AVERAGE CARCASS WEIGHT 215.71

PACKER SOLD:

HEAD COUNT 30,323
AVERAGE LIVE WEIGHT 289.11
AVERAGE CARCASS WEIGHT 219.01

PACKER OWNED:

HEAD COUNT 148,449
AVERAGE LIVE WEIGHT 287.61
AVERAGE CARCASS WEIGHT 218.48

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APRIL HOGS –
JUNE 2024 LEAN HOGS –
OCTOBER LEAN HOGS –
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CHARTS FROM ESIGNAL INTERACTIVE, INC.

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