ADM Investor Services, Inc.

MONDAY MORNING, JANUARY 6, 2025 LIVESTOCK REPORT

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CATTLE

JANUARY 03, 2025	121,000
WEEK AGO	123,000
YEAR AGO	124,381
SATURDAY 01/04/2025	27,000
WEEK AGO	36,000
YEAR AGO	44,847
WEEK TO DATE (EST)	498,000
SAME PERIOD LAST WEEK (EST)	434,000
SAME PERIOD LAST YEAR (ACT)	542,462
2025 YEAR TO DATE	273,000
2024 YEAR TO DATE	542,462
PERCENT CHANGE YEAR TO DATE	-49.7%

HTTPS://WWW.AMS.USDA.GOV/MNREPORTS/AMS_3208.PDF

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2:00 PM JANUARY 03, 2025

BOXED BEEF	CHOICE	SELECT
CURRENT CUTOUT VALUES:	325.24	296.72
DECEMBER 27, 2024 CUTOUT VALUE	322.38	291.13
CHANGE FROM PRIOR DAY:	1.76	2.49
CHOICE/SELECT SPREAD:	28.52	
TOTAL LOAD COUNT (CUTS, TRIMMINGS, GRINDS):	149	
5 DAY SIMPLE AVERAGE:	323.17	292.68

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CME BOXED BEEF INDEX ON 01/02/2025 WAS 314.97 UP 1.52 FROM PREVIOUS DAY

CME BOXED BEEF INDEX ON 12/27/2024 WAS 311.26

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2:00 PM JANUARY 03, 2025		
PRIMAL RIB	578.08	427.65
PRIMAL CHUCK	276.88	269.24
PRIMAL ROUND	276.74	279.45
PRIMAL LOIN	388.58	343.27
PRIMAL BRISKET	268.87	266.58
PRIMAL SHORT PLATE	204.60	204.60
PRIMAL FLANK	152.60	153.42

2:00 PM DECEMBER 27, 2024		
PRIMAL RIB	624.55	459.05
PRIMAL CHUCK	263.89	262.72
PRIMAL ROUND	265.72	262.57
PRIMAL LOIN	382.91	335.02
PRIMAL BRISKET	269.81	247.66
PRIMAL SHORT PLATE	195.85	195.85
PRIMAL FLANK	150.50	148.70

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LOAD COUNT AND CUTOUT VALUE SUMMARY FOR PRIOR 5 DAYS

DATE	CHOICE	SELECT	TRIM	GRINDS	TOTAL	600-900	600-900
01/02	67	18	6	25	116	323.48	294.
12/31	65	33	7	13	119	324.22	294.52
12/30	67	18	5	14	104	325.37	294.76
12/27	53	16	8	11	87	322.38	291.13 FRIDAY
12/26	94	37	25	30	186	320.39	288.77

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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.
JANUARY 03, 2025 FINAL

CHOICE CUTS	95.99 LOADS	3,839,784 POUNDS
SELECT CUTS	15.58 LOADS	623,276 POUNDS
TRIMMINGS	20.07 LOADS	802,807 POUNDS
GROUND BEEF	17.04 LOADS	681,535 POUNDS

(ONE LOAD EQUALS 40,000 POUNDS)

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RECORD HIGH CASH CATTLE PRICES LAST WEEK. PRICES IN THE MIDWEST WERE 198.00 TO $201.00 MOST CATTLE 199.00 DRESSED CATTLE 310.00 TO A FEW AS HIGH AS 320.00 UP $3.00 TO $9.00. SOUTHWEST CATTLE IN THE SOUTHWEST WERE 195.00 TO UP AS HIGH AS $200.00 TEXAS CATTLE WERE MOSTLY $197.00.

PACKERS NEED TO MAKE UP 2 VERY LIGHT SLAUGHTERS.

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THE CUMALATIVE BOXED BEEF PRICES FOR THE WEEK ARE HIGHER. BUYERS HAVE SHIFTED TO CHEAPER PRIMALS FROM HIGH PRICED RIB PRIMALS. ALSO THE CHOICE TO SELECT SPREAD IS NARROWING FROM 31.25 A WEEK AGO TO 28.52 NOW. COMPARED TO FRIDAY DECEMBER 27TH THE CME BEEF CUTOUT GAINED $3.71.

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FEBRUARY LIVE CATTLE GAPPED OPEN FRIDAY MOVED UP TO HIGHS OF OCTOBER 2024 AND REVERSED. VOLUME WAS VERY ACTIVE. FEBRUARY LIVE CATTLE VOLUME WAS 45,827 CONTRACTS TRADING.

SPREAD TRADERS WERE ACTIVE WITH INTERMARKET AND INTERMARKET TRADING.

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EXTREME COLD TEMPERATURES WITH ICE TO BLOWING SNOW ACROSS A SWATH OF FROM MIDWEST TO EAST COAST. COLD WEATHER IN THE NORTHERN PARTS. THIS WEEK COLD WEATHER AND SNOW INTO THE SOUTH.

THE RATE OF GAIN IN CATTLE WILL DROP DURING THE TIME.

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BRAZIL AND AUSTRALIA WILL NEED TO FIND BUYERS TO TAKE BEEF AND ONE COUNTRY WILL BE THE U.S. AS 2024 IMPORTS SHOWED.

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EXPORTS

FOR WEEK ENDING DECEMBER 26, 2024 EXPORTS WERE 1400 MT. DOWN 71% ON THE 4 WEEK AVERAGE.

NET SALES FOR 2025 WERE 11,100 MT COMPARED TO 13,100 MT A WEEK AGO . SOUTH KOREA WAS LARGEST BUYER WITH 3900 MT FOLLOWED BY TAIWAN AT 800 MT WITH CHINA TAKING 1800 MT.

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***NATIONAL DAILY DIRECT CATTLE 01/03/2025
5 DAY ACCUMULATED WEIGHTED AVG

	WEIGHT	PRICE	HEAD
LIVE STEER:	1502	$195.74	26,811
LIVE HEIFER:	1353	$195.17	15,933
DRESSED STEER	1005	$308.23	4,954
DRESSED HEIFER:	878	$308.17	1,589

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USDA POSTED SUMMARY CATTLE PRICES ON 01/03/2025
FOB STEER AND HEIFER COMBINED PRICES UNLESS NOTED

IA/MN – CASH FOB – 198.00-201.00 AVE PRICE 199.84
DRESSED DELIVERED 310.00-320.00 AVE PRICE 314.79
LIVE DELIVERED - 198.00-201.00 AVE PRICE ON 140 HEAD 200.19

NE – CASH FOB - 198.00-201.00 AVE PRICE 199.93
DRESSED DELIVERED 312.00-315.00 AVE PRICE 314.69

KS – CASH – 197.00-197.00 AVE PRICE 197.00
LIVE DELIVERED - 315.00 ON 41HEAD
DRESSED DELIVERED - NO REPORTABLE TRADE

TX/OK/NM - 195.00-197.00 PRICE 196.89
TOTAL HEAD SOLD 8,446 HEAD
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WEEKLY BEEF PRODUCTION (MILLIONS OF POUNDS) – DECEMBER 27, 2024
WEEK ENDING: BEEF
28, DEC-24 376.2
21DEC-23 534.7
CHANGE: -29.6%
30-DEC-23 424.6
CHANGE: -11.4%
2024 YTD 26380.2
2023 YTD 26549.3
CHANGE: -0.6%
AVERAGE WEIGHTS (POUNDS) CATTLE
WEEK ENDING LIVE:
28-DEC-24 ESTIMATE 1431
21-DEC-24 ESTIMATE 1430
30-DEC-23 ACTUAL 1411
DRESSED:
28-DEC-24 ESTIMATE 869
21-DEC-24 ESTIMATE 869
3-DEC-23 ACTUAL 850
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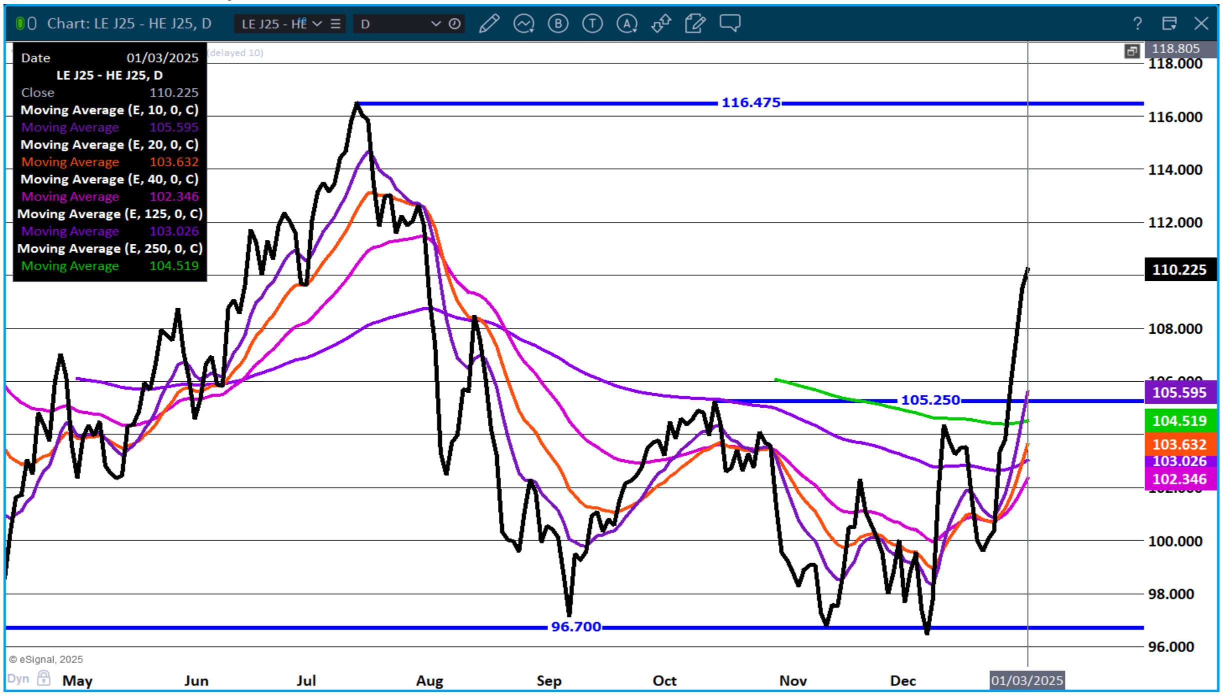
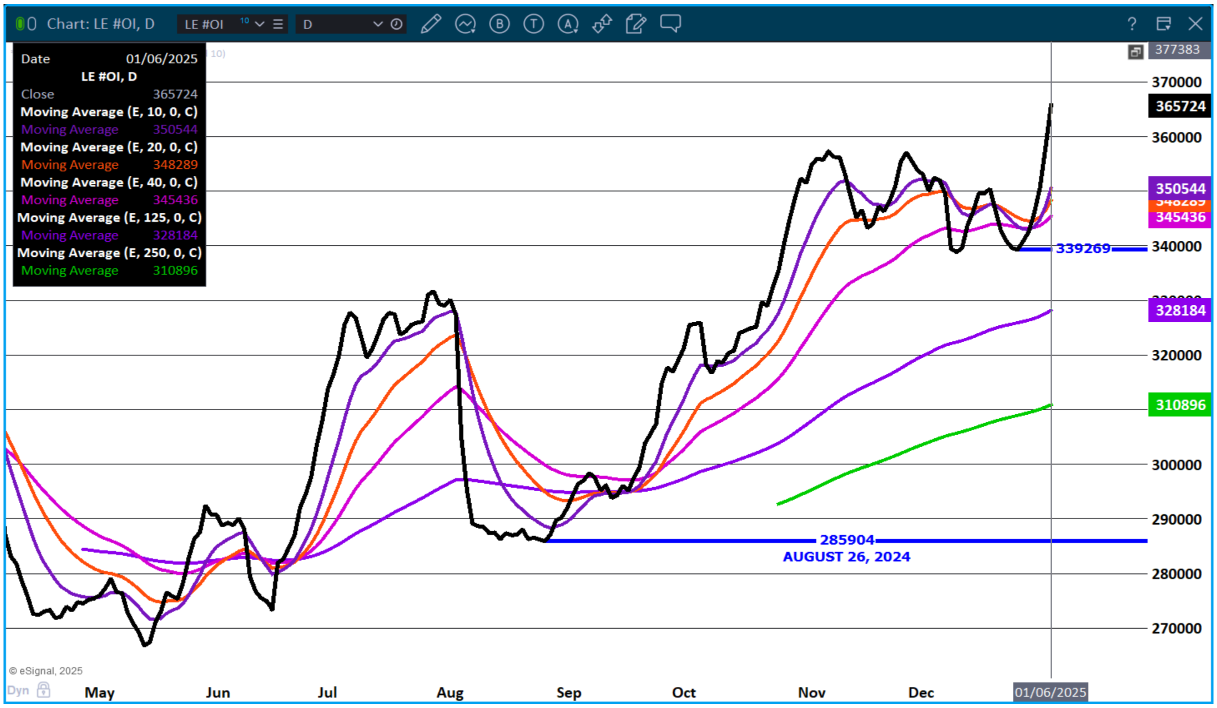
STERLING MARKETING BEEF MARGINS WEEK ENDING DECEMBER 28, 2024
PACKER MARGIN ($ /HEAD ($85.78) LAST WEEK ($133.00) MONTH AGO ($92.85) YEAR AGO ($79.53)
FEEDLOT MARGINS: $137.33 LAST WEEK $202.33 MONTH AGO $130.42 YEAR AGO ($135.89)
Sterling Marketing uses the Comprehensive Beef Cutout Value reported by USDA. I have included a document that explains this cutout value. I looked at this value about 4 years ago and compared the beef packer margin values from my Choice-Select Adjusted value and this Comprehensive value. There was little difference. However, over the past few weeks, the difference has become significant. I believe this is because the mix of cattle slaughtered is increasingly includes higher valued cattle – i.e., Prime, Upper 2/3 Choice, and Branded Program cattle. In addition, it includes the formula-priced cattle. Using just the Choice and higher grade and Select grade to generate the cutout

does not reflect this important difference in the quality of cattle which in turn is definitely a driver to the notable improvement in beef demand over the past year.

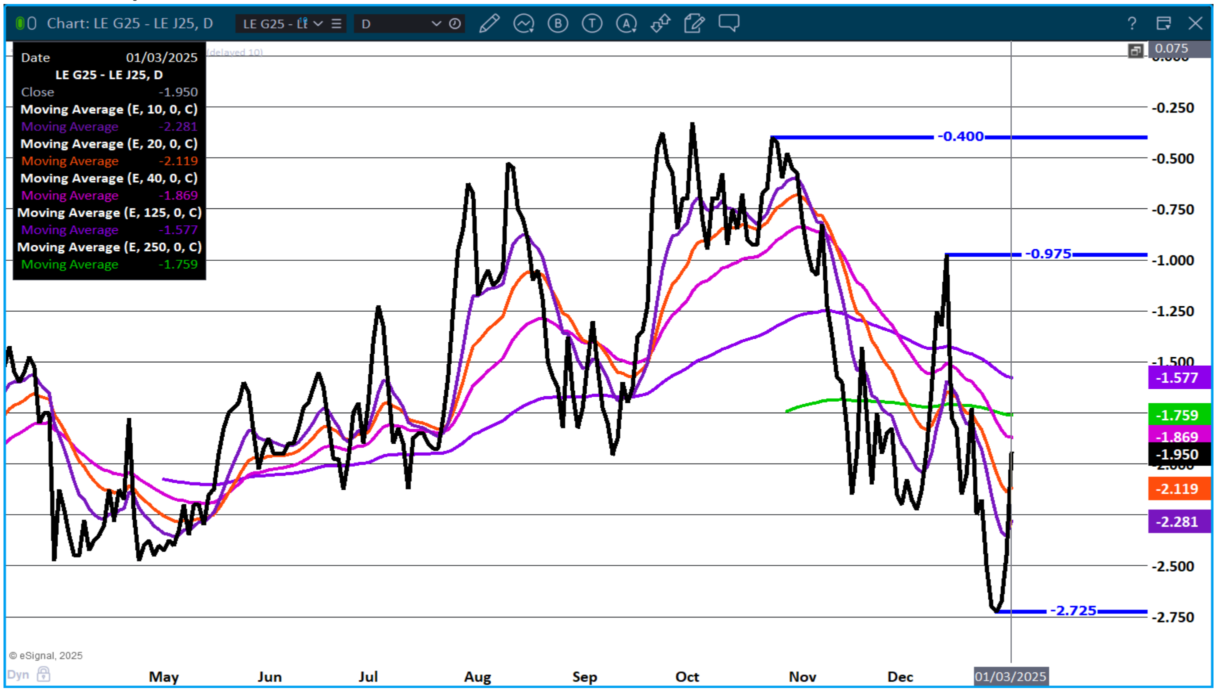
APRIL LIVE CATTLE/APRIL LEAN HOG SPREAD – CATTLE SHOULD CONTINUE TO GAIN ON HOGS.



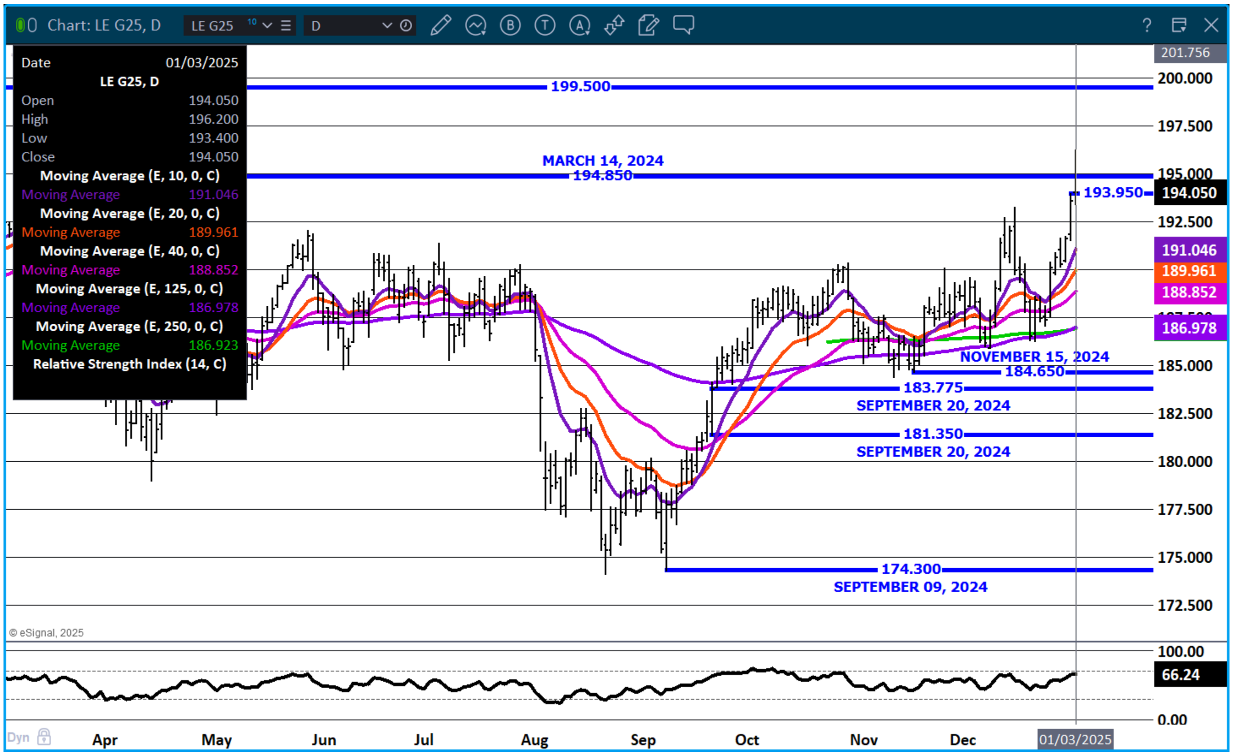
LIVE CATTLE OPEN INTEREST – BIG OPEN INTEREST.



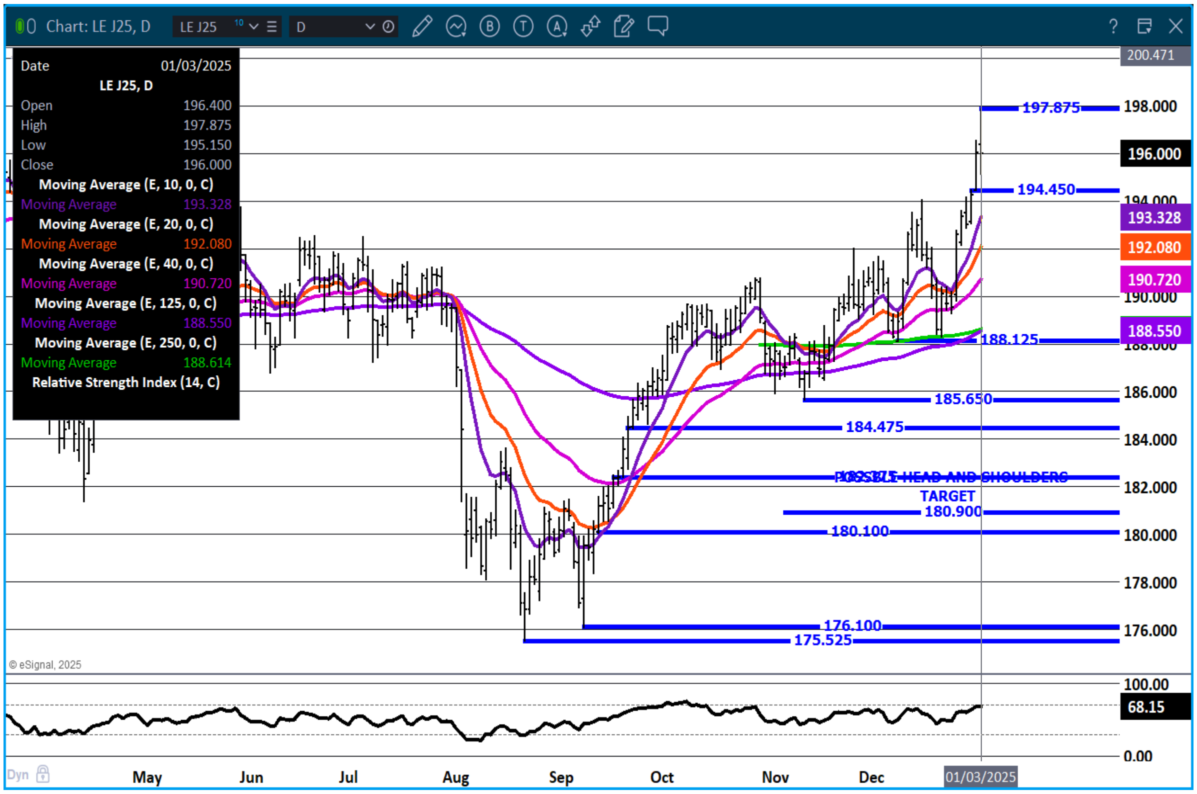
FEBRUARY/APRIL LIVE CATTLE SPREAD – REMAINS BEAR SPREAD.



FEBRUARY LIVE CATTLE – RESISTANCE AT 199.50 SUPPORT AT 191.00



APRIL LIVE CATTLE – NEW CONTRACT HIGHS RESISTANCE 198.00



FEEDER CATTLE

CME FEEDER INDEX ON 01/012/2024 WAS 265.76 UP 3.99 FROM PREVIOUS DAY

JANUARY 2025 FEEDER CATTLE SETTLED ON 01/03/2024 AT $264.82
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ON APRIL 2020 FEEDER CATTLE MADE A LOW AT $113.85 AND SETTLED THE MONTH AT $128.65 FOLLOWED BY THE LAUNCH OF THE SUPER FEEDER CATTLE RALLY. FEEDER CATTLE MOVED HIGHER MAKING A CONTRACT HIGH DURING FEBRUARY 2024 AT $272.42 AND SETTLING AT $262.45.

THE COW/CALF PRODUCER SELLING HEIFERS TO GO ON FEED AND BANKING THE MONEY IS THE MOST LOGICAL. BUT PRODUCERS IN THE MOUNTAIN STATES, WEST COAST AND NORTHERN U.S AND CANADA HAVE HAD 2 PLUS PROFITABLE YEARS. HEIFER RETENTION HAS BEEN TAKING PLACE. PRODUCERS IN THE SOUTHWEST HAVE BEEN RELUCTANT BUT LAND IS MADE FOR COWS/CALVES AND THERE WILL HAVE MORE BREEDING TAKING PLACE.

FROM 2014 THROUGH 2019 AVERAGE THE AVERAGE YEARLY IOWA/MINNESOTA CHOICE STEER PRICE DROPPED FROM $154.25 TO $ 117.81.

BARCHART FUTURES – JANUARY 2, 2025

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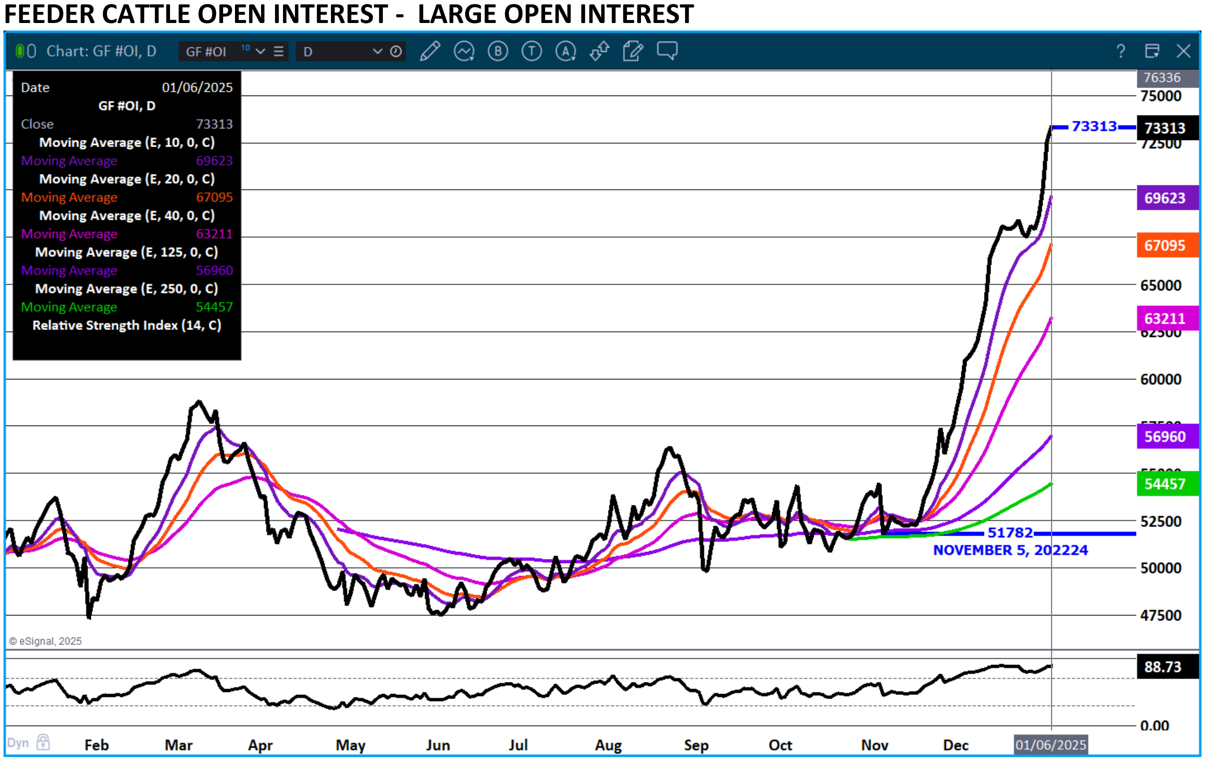
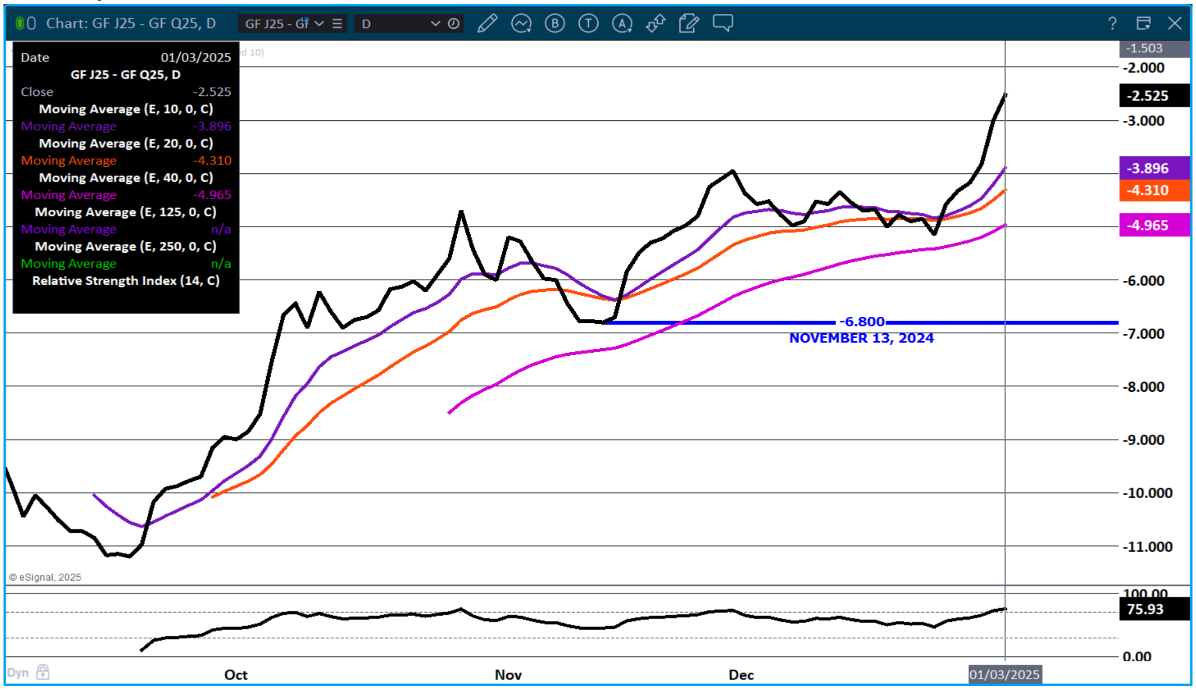
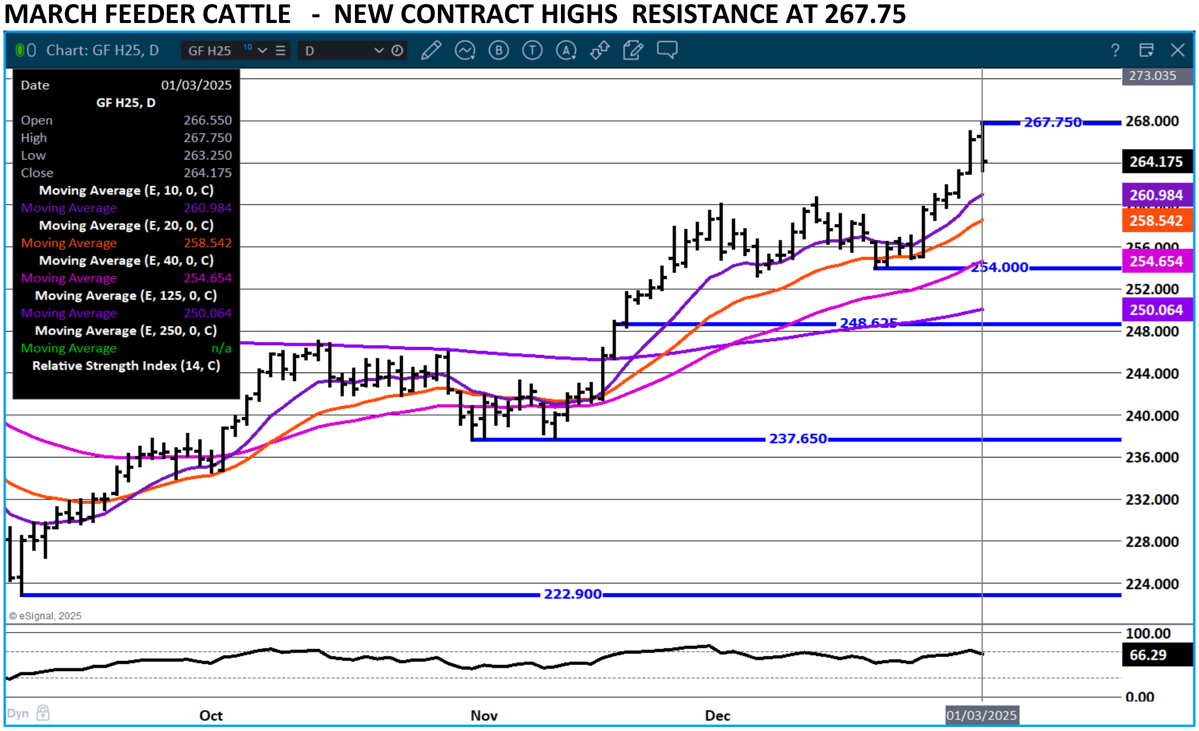
FEEDER CATTLE OPEN INTEREST - LARGE OPEN INTEREST



MARCH/AUGUST FEEDER CATTLE SPREAD -



MARCH FEEDER CATTLE - NEW CONTRACT HIGHS RESISTANCE AT 267.75



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HOGS

JANUARY 03, 2025	488,000
WEEK AGO	487,000
YEAR AGO	486,868
SATURDAY 01/04/2025	419,000
WEEK AGO	413,000
YEAR AGO	435,497
WEEK TO DATE (EST)	2,288,000
SAME PERIOD LAST WEEK (EST)	2,051,000
SAME PERIOD LAST YEAR (ACT)	2,368,755
2025 YEAR TO DATE	1,396,000
2024 YEAR TO DATE	2,368,755
PERCENT CHANGE YEAR TO DATE	-41.1%

HTTPS://WWW.AMS.USDA.GOV/MNREPORTS/AMS_3208.PDF

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CME LEAN HOG INDEX ON 12/31/2024 WAS 83.99 DOWN 28 CENTS FROM PREVIOUS DAY

CME PORK CUTOUT INDEX 01/02/2025 AT 93.19 DOWN .79 FROM PREVIOUS DAY

THE CME LEAN HOG INDEX IS MINUS $9.20 TO THE CME PORK INDEX 01/03/2025.

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OPEN INTEREST FALLING FAST WITH LONG LIQUIDATION. BEAR SPREADS ARE WIDE.
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THE DIFFERENCE BETWEEN THE CME LEAN HOG INDEX AND THE CME PORK CUTOUT IS NARROWING. PACKER PROFITS ARE SHRINKING.
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EXPORTS

EXPORTS WERE DISAPPOINTING BOTH FOR 2024 AND 2025 ESPECIALLY WITH MEXICO BUYING LIGHT.

FOR WEEK ENDING DECEMBER 26, 2024 EXPORTS WERE 7,500 MT, DOWN 60% ON THE 4 WEEK AVERAGE. MEXICO TOOK ONLY 8500 MT

NET SALES FOR 2025 WERE AT 13,500 MT COMPARED TO A WEEK AGO AT 39,400 MT. JAPAN BOUGHT 5300 MT FOLLOWED BY MEXICO AT A LOW 2800 MT COMPARED TO A WEEK AGO AT 21,000 MT . NO PURCHASES FROM CHINA FOR 2025

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WEEKLY PORK PRODUCTION (MILLION POUNDS) DECEMBER 28, 2024

WEEK ENDING	PORK
28-DEC-24	444.0
21-DEC-24	557.7
CHANGE:	-20.4%
30-DEC-23	483.1
CHANGE:	-8.1%
2024 YTD	27473.3
2023 YTD	27177.4
CHANGE:	1.1%

WEEKENDING SATURDAY, DECEMBER 28, 2024
AVERAGE WEIGHTS (LBS) HOGS

WEEK ENDING LIVE:

28-DEC-24	ESTIMATE	291
21-DEC-24	ESTIMATE	291
30-DEC-23	ACTUAL	292

DRESSED:

28-DEC-24	ESTIMATE	217
21DEC-24	ESTIMATE	216
30-DEC-23	ACTUAL	217

HTTPS://WWW.AMS.USDA.GOV/MNREPORTS/SJ_LS712.TXT
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STERLING PORK PROFIT TRACKER WEEK ENDING - DECEMBER 28, 2024
PACKER MARGINS $18.57 LAST WEEK $21.90 MONTH AGO ($5.79) YEAR AGO $65.87
FARROW TO FINISH MARGIN $29.48 LAST WEEK $27.22 MONTH AGO $36.69 YEAR AGO ($62.71))
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%

LOADS PORK CUTS : 294.68
LOADS TRIM/PROCESS PORK : 39.31

2:00 AM	LOADS	CARCASS	LOIN	BUTT	PIC	RIB	HAM	BELLY
01/03/2025	333.99	89.54	81.88	113.37	67.73	141.96	80.31	118.76
CHANGE:		0.22	-0.56	1.80	-2.10	2.46	-3.33	7.09
FIVE DAY AVERAGE		91.71	81.56	111.17	72.63	138.85	88.69	119.64

2:00 PM	LOADS	CARCASS	LOIN	BUTT	PIC	RIB	HAM	BELLY
01/02/2024	275.96	89.32	82.44	111.57	69.83	139.50	83.64	111.67
CHANGE:		-0.98	3.19	2.02	-0.75	0.63	-3.42	-8.83
FIVE DAY AVERAGE		92.94	82.03	110.89	75.05	137.29	92.46	120.27

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HOG REPORT - PLANT DELIVERED PURCHASE JANUARY 03, 2025
NATIONAL NEGOTIATED PRICE
HEAD COUNT 4,938
LOWEST PRICE: 77.00
HIGHEST PRICE 81.00
WEIGHTED AVERAGE 79.59
CHANGE FROM PREVIOUS DAY . -0.49 LOWER

OTHER MARKET FORMULA (CARCASS)
HEAD COUNT: 32,522
LOWEST BASE PRICE: 65.25
HIGHEST BASE PRICE 86.30
WEIGHTED AVERAGE PRICE 76.20

SWINE/PORK MARKET FORMULA (CARCASS)
HEAD COUNT 162,401
LOWEST BASE PRICE: 68.70
HIGHEST BASE PRICE 86.99
WEIGHTED AVERAGE PRICE 80.72

OTHER PURCHASE ARRANGEMENT (CARCASS)
HEAD COUNT: 67,643
LOWEST BASE PRICE 72.03
HIGHEST BASE PRICE: 101.66
WEIGHTED AVERAGE PRICE 82.13
HG216 (usda.gov)
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NATIONAL DAILY DIRECT HOG PRIOR DAY REPORT - SLAUGHTERED SWINE
HTTPS://WWW.AMS.USDA.GOV/MNREPORTS/AMS_2511.PDF

SLAUGHTER DATA - JANUARY 3, 2025

****PRODUCER SOLD:**
HEAD COUNT 242,099
AVERAGE LIVE WEIGHT 293.74
AVERAGE CARCASS WEIGHT 219.91

PACKER SOLD:
HEAD COUNT 33,911
AVERAGE LIVE 294.35
AVERAGE CARCASS WEIGHT 219.67

PACKER OWNED:
HEAD COUNT 178,481
AVERAGE LIVE WEIGHT 290.68
AVERAGE CARCASS WEIGHT 220.19

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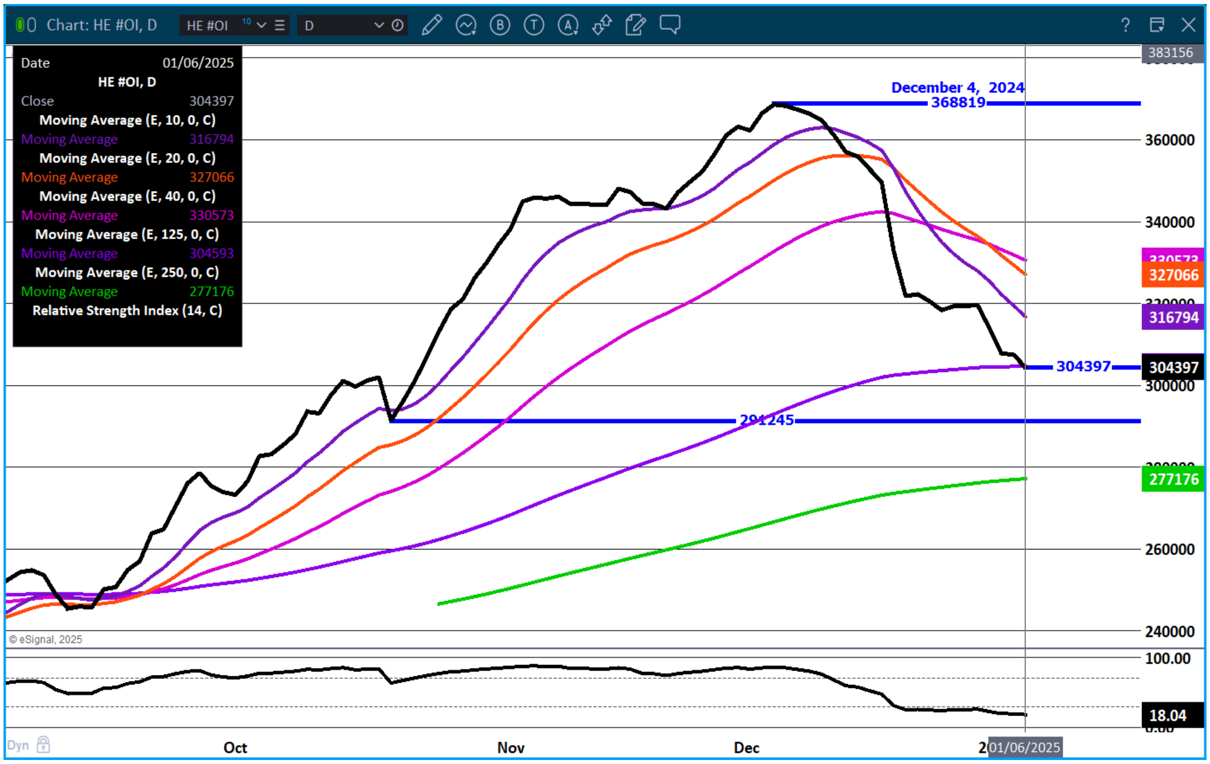
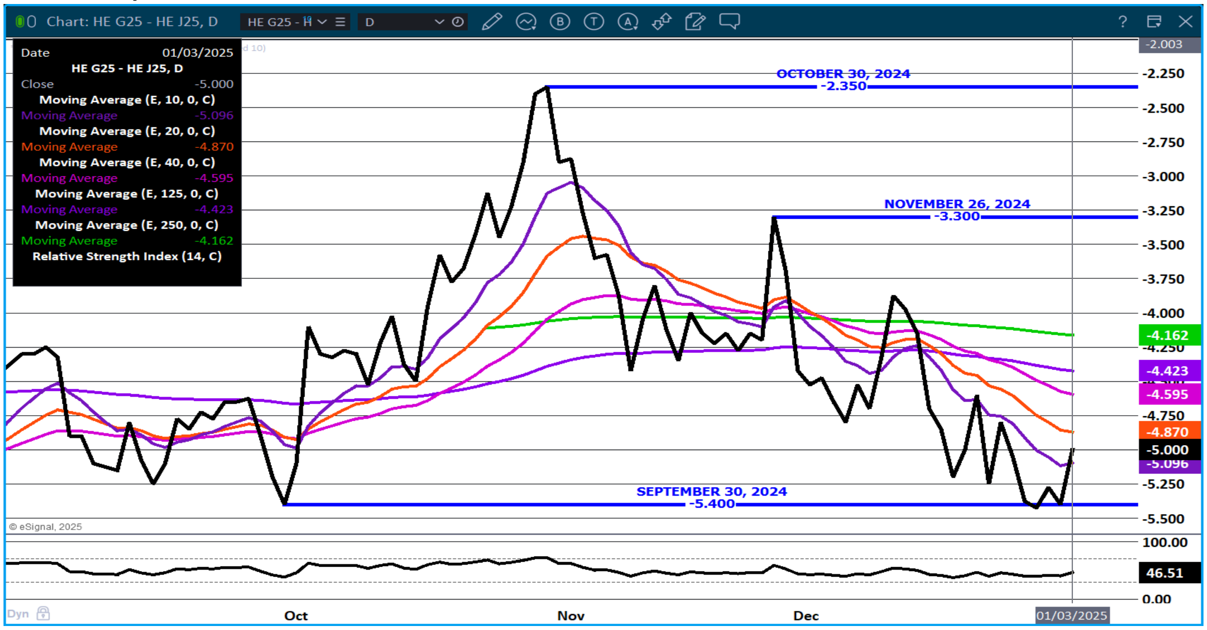
LEAN HOG OPEN INTEREST - DECREASING OPEN INTEREST



FEBRUARY/ APRIL LEAN HOG SPREAD - BEAR SPREAD



FEBRUARY 2025 LEAN HOGS – NEEDS TO REMAIN ABOVE 79.20 ON A CLOSE

ALL CHARTS PROVIDED BY ESIGNAL INTERACTIVE.COM

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