WEDNESDAY MORNING, JANUARY 15, 2025 LIVESTOCK REPORT

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CATTLE

JANUARY 14, 2025	125,000
WEEK AGO	126,000
YEAR AGO	108,214
WEEK TO DATE	242,000
PREVIOUS WEEK	235,000
PREVIOUS WEEK 2024	216,356
2025 YEAR TO DATE	1,112,000
2024 YEAR TO DATE	1,303,720
PERCENT CHANGE YEAR TO DATE	-14.7%

HTTPS://WWW.AMS.USDA.GOV/MNREPORTS/AMS_3208.PDF
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2:00 PM JANUARY 14, 2025

BOXED BEEF	CHOICE	SELECT
CURRENT CUTOUT VALUES:	332.98	318.71
CHANGE FROM PRIOR DAY:	(0.37)	1.14
CHOICE/SELECT SPREAD:	14.27	
TOTAL LOAD COUNT (CUTS, TRIMMINGS, GRINDS):	155	
5 DAY SIMPLE AVERAGE:	330.28	310.48

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CME BOXED BEEF INDEX ON 01/13/2025 WAS 325.95 UP 1.98 FROM PREVIOUS DAY
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2:00 PM JANUARY 14, 2025		
PRIMAL RIB	502.59	432.31
PRIMAL CHUCK	302.54	304.50
PRIMAL ROUND	304.71	303.27
PRIMAL LOIN	393.47	364.67
PRIMAL BRISKET	272.85	265.02
PRIMAL SHORT PLATE	221.69	221.69
PRIMAL FLANK	154.04	153.96

2:00 PM JANUARY 13, 2025		
PRIMAL RIB	509.07	435.89
PRIMAL CHUCK	304.32	301.16
PRIMAL ROUND	302.51	301.40
PRIMAL LOIN	392.10	364.33
PRIMAL BRISKET	271.93	268.01
PRIMAL SHORT PLATE	220.61	220.61
PRIMAL FLANK	154.37	149.87

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LOAD COUNT AND CUTOUT VALUE SUMMARY FOR PRIOR 5 DAYS

DATE	CHOICE	SELECT	TRIM	GRINDS	TOTAL	600-900	600-900
01/13	75	18	9	15	118	333.35	317.57
01/10	78	10	12	29	128	332.84	314.14 FRIDAY
01/09	74	15	9	18	116	330.78	308.35
01/08	121	27	15	19	181	328.61	306.89
01/07	97	35	0	24	156	325.79	305.43

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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 13, 2025 FINAL

CHOICE CUTS	95.61 LOADS	3,824,392 POUNDS
SELECT CUTS	27.15 LOADS	1,085,842 POUNDS
TRIMMINGS	12.34 LOADS	493,718 POUNDS
GROUND BEEF	20.11 LOADS	804,561 POUNDS

(ONE LOAD EQUALS 40,000 POUNDS)

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TUESDAY IN THE MIDWEST THE USDA POSTED THERE WERE 180 STEERS SOLD FOR $205.00, THE HIGHEST PRICE OF LAST WEEK. IT WAS PAID BY 1 PACKER WITH NO OTHER PACKER BIDS. THEY WEIGHED 1675 POUNDS. WHEN THE PRICE HIT THE MARKET, IT BROUGHT LIVE CATTLE OFF THE LOWS.

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COLDER WEATHER IS EXPECTED DOWN INTO TEXAS NEXT WEEK BUT NOT WITH MUCH SNOW. WEIGHT GAINS WILL BE AFFECTED BUT MOVEMENT SHOULDN'T BE A PROBLEM.

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FOR WEEK ENDING SATURDAY, JANUARY 11, 2025 LIVE CATTLE WEIGHTS WERE UP 39 POUNDS COMPARED TO THE PREVIOUS YEAR AND DRESSED WEIGHTS WERE UP 34 POUNDS. LIVE AND DRESSED WEIGHTS WERE UP 2 POUNDS COMPARED TO THE PREVIOUS WEEK.

WITH WEIGHTS WELL ABOVE A YEAR AGO, IF PACKERS WANTED TO INCREASE KILL, THEY COULD.

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THE CHOICE TO SELECT CUTOUT SPREAD CONTINUES TO NARROW. IT'S A CLEAR INDICATOR BUYERS WANT CHEAPER BEEF. BUT IT IS HARDER TO SOURCE CATTLE GRADING SELECT. PRODUCERS ARE FEEDING CATTLE HARDER AS GRAIN PRICES HAVE DROPPED. THEY ARE KEEPING CATTLE ON FEED LONGER AS THE HIGHER WEIGHTS SHOW AND ARE BREEDING CATTLE TO PRODUCE HIGHER GRADING CATTLE.

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JANUARY- NOVEMBER 2023 COMPARED TO JANUARY -NOVEMBER 2024

BEEF AND VEAL IMPORTS (POUNDS)

JANUARY- NOVEMBER 2023	3,418,837,000
JANUARY -NOVEMBER 2024	4,236,441,000
PERCENTAGE CHANGE	23.9%

BEEF AND VEAL EXPORTS (POUNDS)

JANUARY- NOVEMBER 2023	2,787,350,000
JANUARY -NOVEMBER 2024	2,744,487,000
PERCENTAGE CHANGE	-1.5%

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TOTAL CATTLE IMPORTS (HEAD)

JANUARY- NOVEMBER 2023	1,804,407
JANUARY -NOVEMBER 2024	1,979,670
PERCENTAGE CHANGE	9.8%

TOTAL CATTLE EXPORTS (HEAD)

JANUARY- NOVEMBER 2023	326,904
JANUARY -NOVEMBER 2024	343,389
PERCENTAGE CHANGE	5.8%

CATTLE IMPORTS FOR IMMEDIATE SLAUGHTER (HEAD)

JANUARY- NOVEMBER 2023	504,967
JANUARY -NOVEMBER 2024	574,699
PERCENTAGE CHANGE	13.8%

CATTLE AND CALVES FOR FEEDING (HEAD)

JANUARY- NOVEMBER 2023	1,287,037
JANUARY -NOVEMBER 2024	1,391,269
PERCENTAGE CHANGE	8.1%

CATTLE IMPORTS FOR BREEDING (HEAD)

JANUARY- NOVEMBER 2023	12,403
JANUARY -NOVEMBER 2024	13,702
PERCENTAGE CHANGE	10.5%

https://www.ers.usda.gov/data-products/livestock-and-meat-international-trade-data

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HISTORICALLY, BEEF PRICES DECLINE AT THIS TIME. AS PACKERS REBUILD SLAUGHTER LEVELS AND BEEF BUYERS BUILD STOCKS FROM THE HOLIDAY, PRICES ARE LIKELY TO DECLINE.

CONSUMER DEMAND IS GOING TO DETERMINE PRICE MOVEMENT IN JANUARY AND FEBRUARY. IN FEBRUARY DEMAND FOR RIB AND LOIN PRIMALS INCREASES FOR VALENTINES DAY.

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THE EASIEST WAY TO INCREASE MORE SELECT AND CHEAPER BEEF IS TO ADD MORE IMPORTED BEEF AND THAT IS WHAT HAPPENED IN 2024 AND WILL IN 2025.

JANUARY 2024 THROUGH NOVEMBER 2024 THE U.S. IMPORTED 23.7% MORE BEEF COMPARED TO THE SAME PERIOD IN 2023. THE U.S. ALSO INCREASED THE NUMBER OF CATTLE READY FOR SLAUGHTER AND FEEDERS GOING INTO FEEDLOTS. WITH THE STRONG U.S. DOLLAR, LOOK FOR INCREASING FEEDERS AND CATTLE IMPORTS IN 2025.

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OPEN INTEREST IS AT LEVELS WHERE LONGS COULD WHIP OUT OF POSISTIONS OPEN INTEREST IS STARTED TO DECLINE.

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FEBRUARY 10, 2024 IS FIRST NOTICE DAY FOR FEBRUARY LIVE CATTLE. BUYERS NOW AREN'T HEDGERS.

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WEEKLY FUTURES PRICE CHANGE

	01/03/2025	01/10/2025
FEBRUARY 2025 LIVE CATTLE	194.05	198.77
APRIL 2025 LIVE CATTLE	196.00	199.47
JUNE 2025 LIVE CATTLE	190.67	194.10
AUGUST 2025 LIVE CATTLE	187.92	191.42
OCTOBER 2025 LIVE CATTLE	188.95	192.45
DECEMBER 2025 LIVE CATTLE	189.62	193.15

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LAST WEEK <u>PACKERS FOR THE SECOND WEEK PAID RECORD PRICES FOR CATTLE</u>. PACKERS PAID $202 TO $204 WITH A FEW AS HIGH AS $205. DRESSED PRICES $320 WITH A FEW AS HIGH AS $330. SOUTH-WEST CATTLE SOLD $201.00 TO $202.00.

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EXPORTS

NET SALES FOR JANUARY 2, 2025 WERE 5600 MT. AT THIS LEVEL EXPORTS GIVE NO SUPPORT TO THE MARKET

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***NATIONAL DAILY DIRECT CATTLE 01/14/2025

5 DAY ACCUMULATED WEIGHTED AVG

	WEIGHT	PRICE	HEAD
LIVE STEER:	1526	$202.77	35,559
LIVE HEIFER:	1350	$202.05	14,764
DRESSED STEER	999	$320.39	10,315
DRESSED HEIFER:	834	$320.00	1,138

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USDA POSTED SUMMARY CATTLE PRICES ON 01/14/2025

FOB STEER AND HEIFER COMBINED PRICES UNLESS NOTED

IA/MN – CASH FOB – 205.00 ON 180 STEERS WEIGHING 1675.00
DRESSED DELIVERED NO REPORTABLE TRADE
LIVE DELIVERED - NO REPORTABLE TRADE

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

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

TX/OK/NM - NO REPORTABLE TRADE

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WEEKLY BEEF PRODUCTION (MILLIONS OF POUNDS) – JANUARY 11, 2025

WEEK ENDING:	BEEF
11-JAN-25	512.1
04-JAN-25	439.1
CHANGE:	16.6%
13-JAN-24	455.4

CHANGE: 12.5%
2025 YTD 756.0
2024 YTD 917.7
CHANGE: -17.6%

AVERAGE WEIGHTS (POUNDS) CATTLE
WEEK ENDING LIVE:

11-JAN-2	ESTIMATE	1435
04-JAN-25	ESTIMATE	1433
13-JAN-24	ACTUAL	1396

DRESSED:

11-JAN-25	ESTIMATE	872
04-JAN-25	ESTIMATE	870
13-JAN-24	ACTUAL	838

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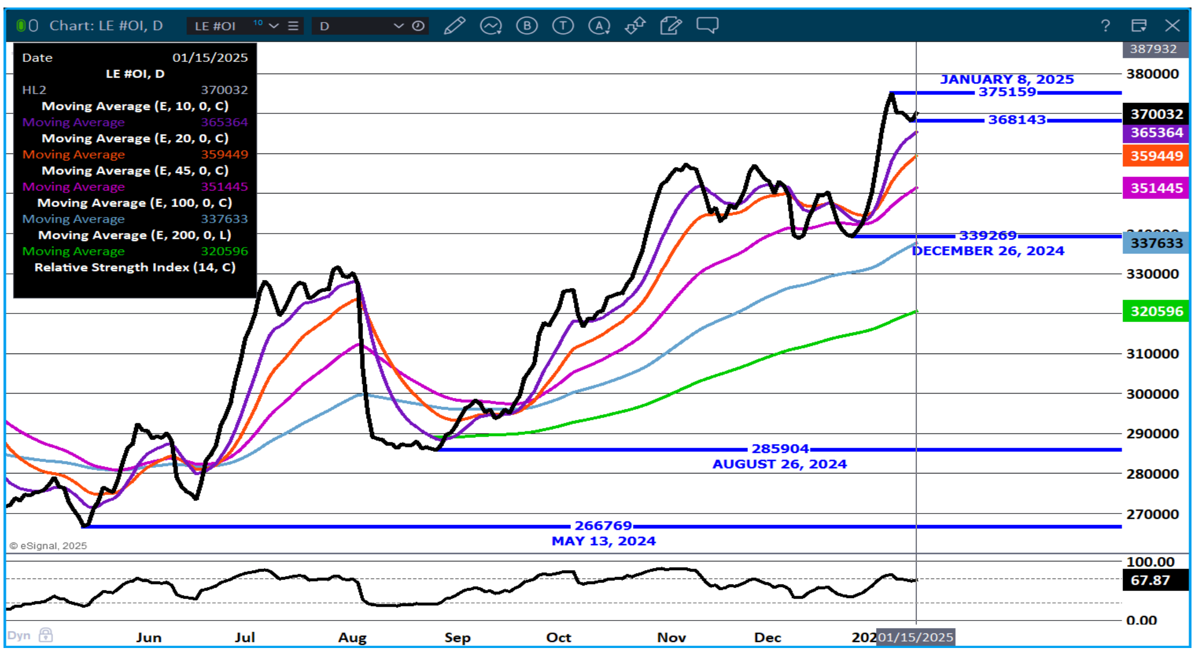
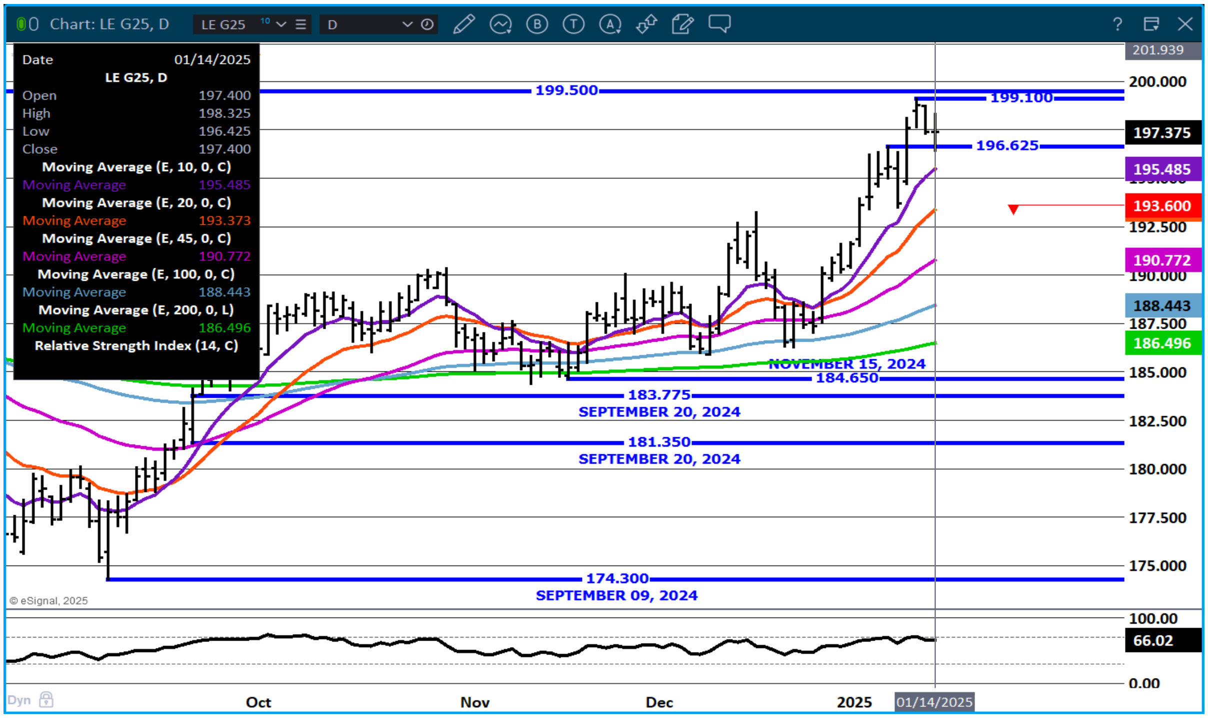
STERLING MARKETING BEEF MARGINS WEEK ENDING JANUARY 4, 2025
PACKER MARGIN ($ /HEAD ($68.12) LAST WEEK ($85.29) MONTH AGO ($82.32) YEAR AGO ($92.43)
FEEDLOT MARGINS: $184.73 LAST WEEK $137.33 MONTH AGO $204.15 YEAR AGO ($109.53)
Sterling Marketing uses the Comprehensive Beef Cutout Value reported by USDA. 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.

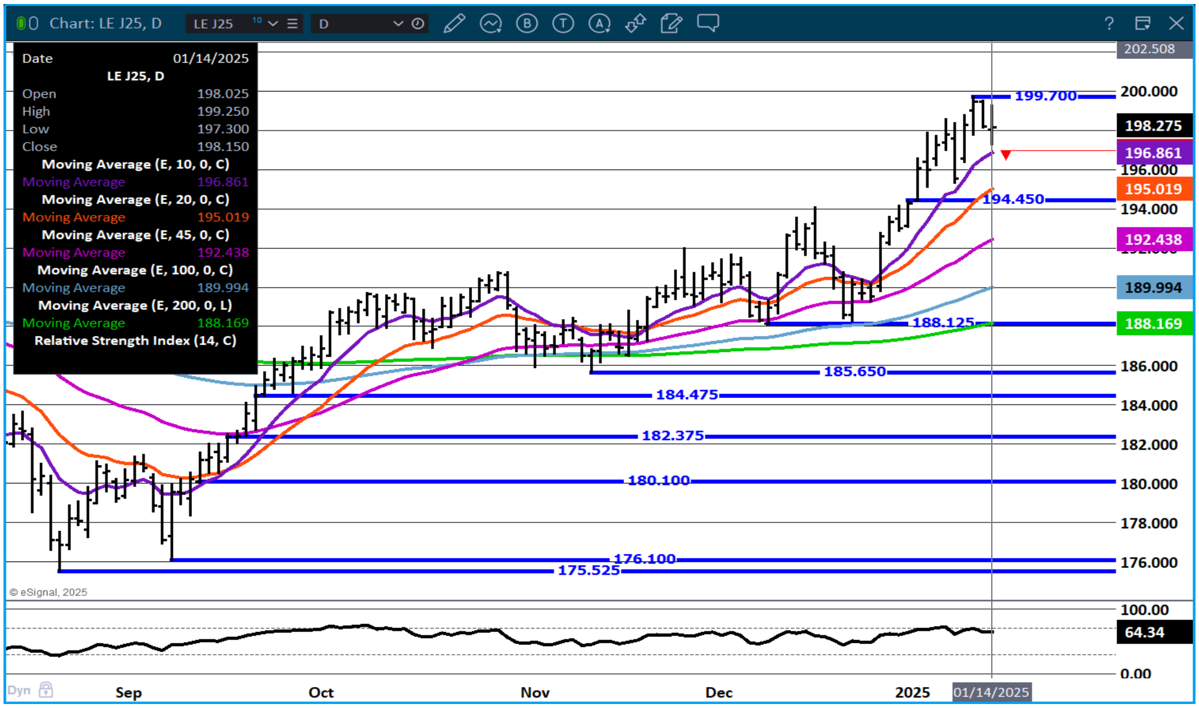
LIVE CATTLE OPEN INTEREST – OPEN INTEREST REMAINS LARGE.



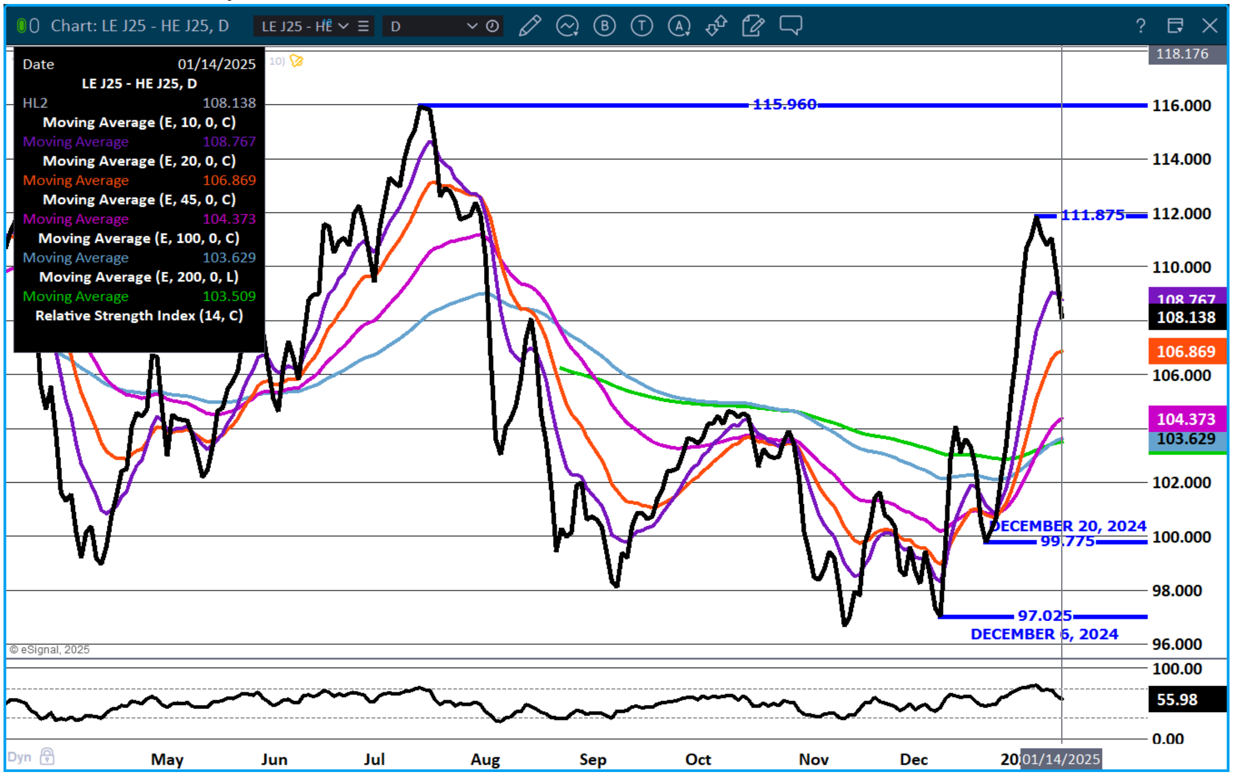
FEBRUARY LIVE CATTLE – RESISTANCE AT 199.50 TO 200.00 SUPPORT AT 195.00



APRIL LIVE CATTLE - SUPPORT AT 195.00 RESITANCE AT 199.70



APRIL LIVE CATTLE/APRIL LEAN HOG SPREAD – FUNDS ROLLING MOVING SPREAD



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FEEDER CATTLE

CME FEEDER INDEX ON 01/13/2024 WAS 278.31 UP 1.01 FROM PREVIOUS DAY

JANUARY 2025 FEEDER CATTLE SETTLED ON 01/14/2024 AT $274.10

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NATIONAL FEEDER & STOCKER CATTLE SUMMARY - WEEK ENDING 01/11/2025

RECEIPTS:	Auctions	Direct	Video/Internet	Total
This Week:	235,200	40,800	111,600	387,600
Last Week:	99,500	7,400	4,200	111,100
Year Ago:	241,700	29,500	164,000	435,200

Compared to last week, steers sold 4.00 to 10.00 higher and heifers sold 1.00 to 6.00 higher on good to very good demand nationwide. Buyers were eager to get back in the seats, especially in the Southeast as the markets in that area had been closed for two full weeks. With the feeder cattle market very strong right now, many producers are pulling cattle ahead of their normal marketing time.

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

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WEEKLY PRICE CHANGE

	01/03/2025	01/10/2025
JANUARY 2025 FEEDER CATTLE	264.82	272.35
MARCH 2025 FEEDER CATTLE	264.17	269.40
APRIL 2025 FEEDER CATTLE	264.40	270.17
MAY 2025 FEEDER CATTLE	263.75	269.77
AUGUST 2025 FEEDER CATTLE	266.92	273.10
SEPTEMBER 2025 FEEDER CATTLE	265.77	271.85

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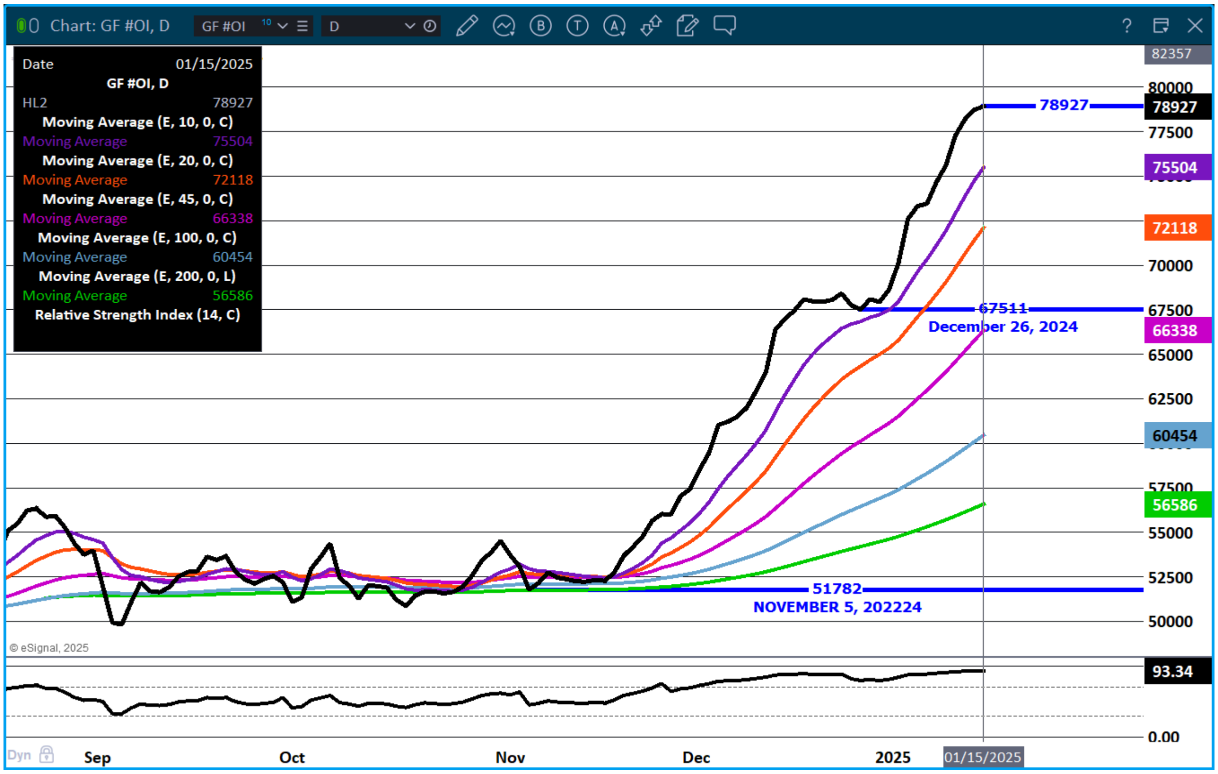
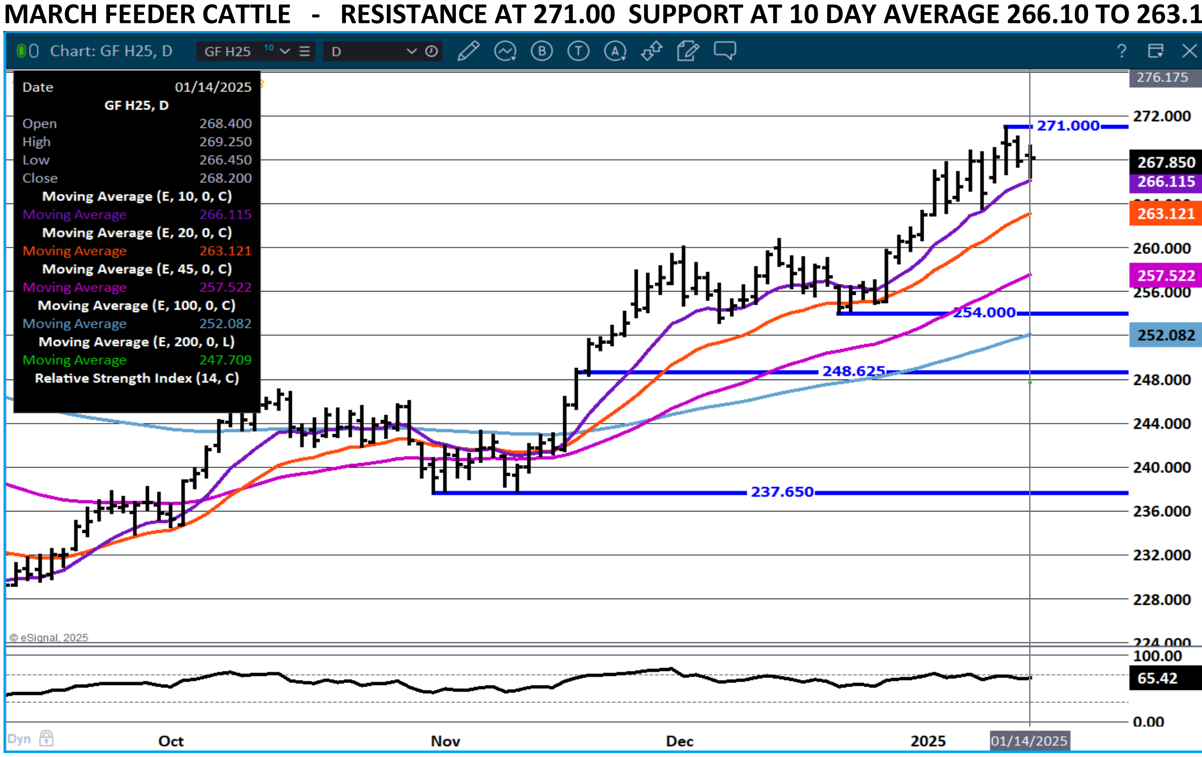
FEEDER CATTLE OPEN INTEREST - COULD BE FORMING A ROUNDED TOP.



APRIL/AUGUST FEEDER CATTLE SPREAD - BEAR SPREAD

MARCH FEEDER CATTLE - RESISTANCE AT 271.00 SUPPORT AT 10 DAY AVERAGE 266.10 TO 263.10



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HOGS

JANUARY 14, 2025, 202	477,000
WEEK AGO	487,000
YEAR AGO	449,306
WEEK TO DATE	963,000
PREVIOUS WEEK	934,000
PREVIOUS WEEK 2024	819,879
2025 YEAR TO DATE	4,868,000
2024 YEAR TO DATE	5,359,763
PERCENT CHANGE YEAR TO DATE	-

9.2%HTTPS://WWW.AMS.USDA.GOV/MNREPORTS/AMS_3208.PDF
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CME LEAN HOG INDEX ON 01/10/2025 WAS 80.76 UP .33 FROM PREVIOUS DAY

CME PORK CUTOUT INDEX 01/13/2025 AT 90.07 UP.50 FROM PREVIOUS DAY

THE CME LEAN HOG INDEX IS MINUS $9.31 TO THE CME PORK INDEX 01/14/2025.

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THE DIFFERENCE BETWEEN THE CME LEAN HOG INDEX AND THE CME PORK CUTOUT AT $9.31 PUTS PACKERS WITH A POSITIVE MARGIN. WEGHTS CLOSE TO A YEAR AGO. HOGS ARE CURRENT.
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WEEKLY FUTURES PRICE CHANGE

	01/03/2025	01/10/2025
FEBRUARY 2025 LEAN HOGS	80.77	82.55
APRIL 2025 LEAN HOGS	85.77	88.67
JUNE 2025 LEAN HOGS	98.50	102.57
JULY 2025 LEAN HOGS	99.02	102.60
AUGUST 2025 LEAN HOGS	98.07	101.00
OCTOBER 2025 LEAN HOGS	81.65	83.97

TUESDAY TRADERS WERE MOVING FEBRUARY TO MOSTLY APRIL WITH FEBRUARY VOLUME AT 27,270 AND APRIL VOLUME AT 26,159. AT THE SAME TIME TRADERS WERE BUYING LEAN HOGS AND SELLING LIVE CATTLE.   TRADE VOLUME WAS MODERATE.

JANUARY- NOVEMBER 2023 COMPARED TO JANUARY -NOVEMBER 2024

PORK IMPORTS (POUNDS)
JANUARY- NOVEMBER 2023   1,048,186,000

JANUARY -NOVEMBER 2024 1,052,067,000
PERCENTAGE CHANGE 0.4%

PORK EXPORTS (POUNDS)
JANUARY- NOVEMBER 2023 6,180,062,000
JANUARY -NOVEMBER 2024 6,469,337,000
PERCENTAGE CHANGE 4.7%

https://www.ers.usda.gov/data-products/livestock-and-meat-international-trade-data

U.S. EXPORTS WERE A POSITIVE FACTOR FOR PORK PRICES IN 2024. TRADERS IN 2025 WILL BE CLOSELY MONITORING EXPORTS AND MONITORING IMPORTS. ALTHOUGH IMPORTS WERE JUST SLIGHTLY HIGHER IN 2024 WITH THE STRONG U.S. DOLLAR PORK PROCESSORS WILL BE ADDDING IMPORTS.
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LAST WEEK SLAUGHTER WAS UP 285,000 HEAD.
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EXPORTS PICKED UP FOR THE WEEK, AND DUE TO TO MEXICO. THERE WERE A SPRINKLING OF OTHER COUNTRIES BUYING BUT VERY SMALL AMOUNTS. IF TARIFFS ARE PLACED ON MEXICO, AS IT HAPPENED DURING PRESIDENT TRUMP'S PREVIOUS TIME IN OFFICE IT WILL BE NEGATIVE.
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EXPORTS

FOR WEEK ENDING JANUARY 2, 2025 NET SALES OF 31,000 MT, MEXICO CAME BACK TAKING 20,600 MT AND THEN JAPAN TOOK 3000 MT FOLLOWED BY COLUMBIA AT 2400 MT

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WEEKLY PORK PRODUCTION (MILLION POUNDS) SATURDAY, JANUARY 11, 2025
WEEK ENDING PORK
11-JAN-25 553.1
04-JAN-25 490.8
CHANGE: 12.7%
13-JAN-24 472.4
CHANGE: 17.1%
2025 YTD 850.7
2024 YTD 990.2
CHANGE: -14.1%

WEEKENDING SATURDAY, JANUARY 11, 2025
AVERAGE WEIGHTS (LBS) HOGS
WEEK ENDING LIVE:
11-JAN-25 ESTIMATE 291
04-JAN-25 ESTIMATE 291

13-JAN-24 ACTUAL 292

DRESSED:
11-JAN-25 ESTIMATE 217
04-JAN-25 ESTIMATE 217
13-JAN-24 ACTUAL 218
HTTPS://WWW.AMS.USDA.GOV/MNREPORTS/SJ_LS712.TXT
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STERLING PORK PROFIT TRACKER WEEK ENDING - JANUARY 4, 2025
PACKER MARGINS $7.72 LAST WEEK $21.90 MONTH AGO ($7.49) YEAR AGO $69.83
FARROW TO FINISH MARGIN $31.81 LAST WEEK $29.48 MONTH AGO $40.15 YEAR AGO ($55.18)
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 : 269.35
LOADS TRIM/PROCESS PORK : 32.29

2:00 PM	LOADS	CARCASS	LOIN	BUTT	PIC	RIB	HAM	BELLY
01/14/2025	301.64	90.21	80.01	107.57	64.05	143.95	82.75	130.95
CHANGE:		0.01	1.47	-0.06	-1.18	-0.03	-0.60	-0.27
FIVE DAY AVERAGE		90.56	80.08	109.46	64.94	141.91	81.80	132.52

2:00 PM	LOADS	CARCASS	LOIN	BUTT	PIC	RIB	HAM	BELLY
01/13/2025	321.46	90.20	78.54	107.63	65.23	143.98	83.35	131.22
CHANGE:		-1.16	-1.94	-2.73	1.41	3.90	0.73	-6.01
FIVE DAY AVERAGE		90.19	79.68	110.19	65.10	141.52	80.71	132.14

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HOG REPORT - PLANT DELIVERED PURCHASE JANUARY 14, 2025

NATIONAL NEGOTIATED PRICE
HEAD COUNT 4,659
LOWEST PRICE: 73.00
HIGHEST PRICE 81.00
WEIGHTED AVERAGE 80.14
CHANGE FROM PREVIOUS DAY 1.00 HIGHER

OTHER MARKET FORMULA (CARCASS)
HEAD COUNT: 32,650

LOWEST BASE PRICE: 61.58
HIGHEST BASE PRICE 101.16
WEIGHTED AVERAGE PRICE 80.48

SWINE/PORK MARKET FORMULA (CARCASS)
HEAD COUNT 144,129
LOWEST BASE PRICE: 73.53
HIGHEST BASE PRICE 84.71
WEIGHTED AVERAGE PRICE 80.12

OTHER PURCHASE ARRANGEMENT (CARCASS)
HEAD COUNT: 61,141
LOWEST BASE PRICE 75.39
HIGHEST BASE PRICE: 102.19
WEIGHTED AVERAGE PRICE 82.41
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 13, 2025

****PRODUCER SOLD:**
HEAD COUNT 227,560
AVERAGE LIVE WEIGHT 290.98
AVERAGE CARCASS WEIGHT 218.03

PACKER SOLD:
HEAD COUNT 34,376
AVERAGE LIVE 290.65
AVERAGE CARCASS WEIGHT 217.57

PACKER OWNED:
HEAD COUNT 187,598
AVERAGE LIVE WEIGHT 288.50
AVERAGE CARCASS WEIGHT 217.87

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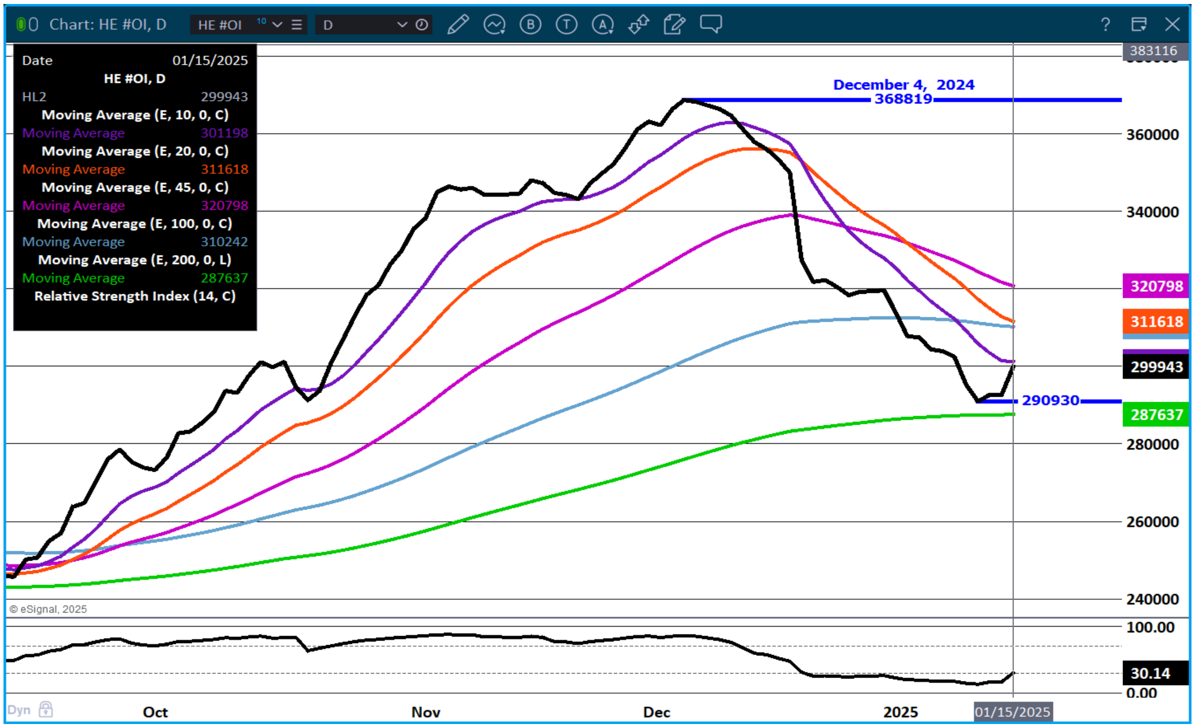
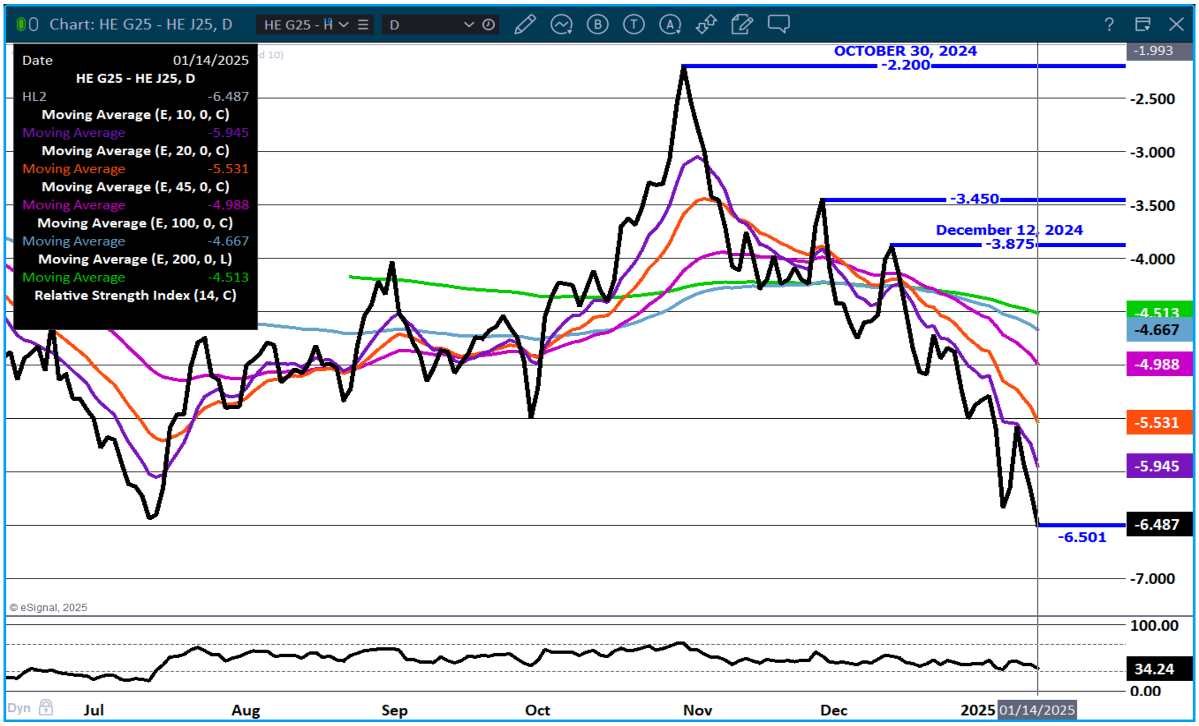
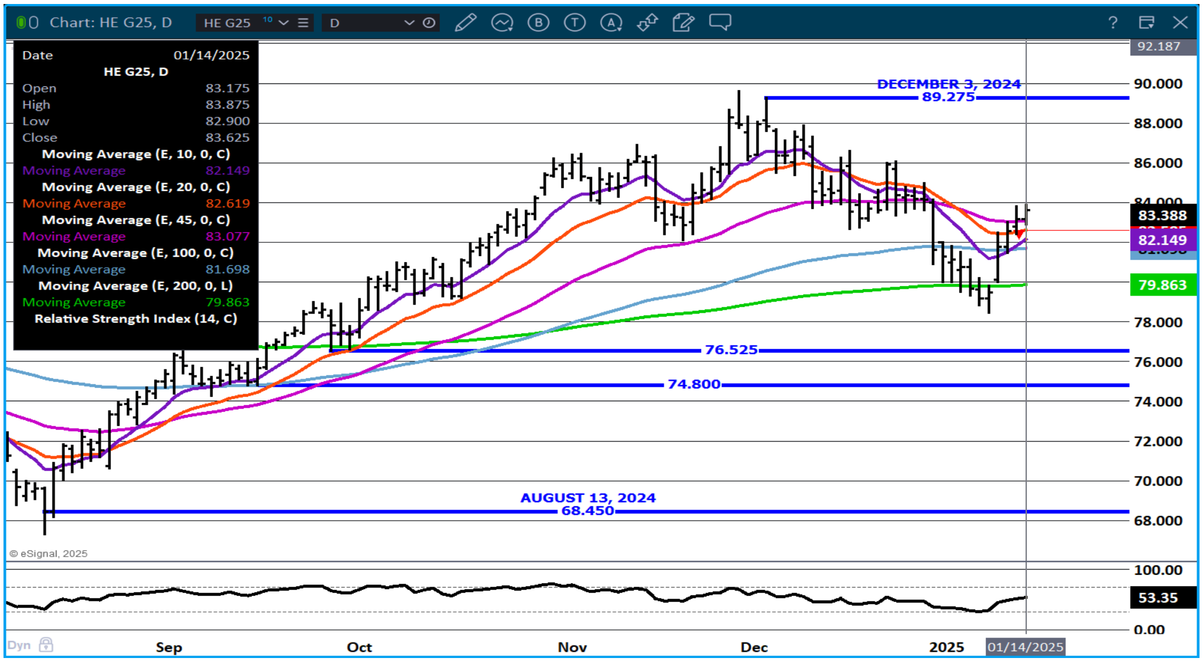
LEAN HOG OPEN INTEREST - SLIGHT UP. FUNDS BUYING ON ROLLS.



FEBRUARY/ APRIL LEAN HOG SPREAD - BEAR SPREAD WIDENING WITH HELP FROM FINDS ROLLING SELLING FEB AND BUYING APRIL. FUNDS ALSO BUYING HOGS AND SELLING CATTLE



FEBRUARY 2025 LEAN HOGS – RESISTANCE AT 84.15 SUPPORT AT 82.60 TO 79.85



APRIL LEAN HOGS - RESITANCE AT 90.70 SUPPORT AT 88.00

ALL CHARTS PROVIDED BY ESIGNAL INTERACTIVE.COM

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