ADM Investor Services, Inc.

THURSDAY MORNING, JANUARY 23, 2025 LIVESTOCK REPORT

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CATTLE

JANUARY 22, 2025	124,000
WEEK AGO	124,000
YEAR AGO	124,971
WEEK TO DATE	363,000
PREVIOUS WEEK	366,000
PREVIOUS WEEK 2024	361,567
2025 YEAR TO DATE	1,837,021
2024 YEAR TO DATE	2,054,078
PERCENT CHANGE YEAR TO DATE	-10.6%

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

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2:00 PM JANUARY 22, 2025

BOXED BEEF	CHOICE	SELECT
CURRENT CUTOUT VALUES:	332.02	317.99
CHANGE FROM PRIOR DAY:	(0.03)	(1.56)
CHOICE/SELECT SPREAD:	14.03	
TOTAL LOAD COUNT (CUTS, TRIMMINGS, GRINDS):	139	
5 DAY SIMPLE AVERAGE:	333.29	319.25

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CME BOXED BEEF INDEX ON 01/21/2025 WAS 330.41 DOWN .16 FROM PREVIOUS DAY

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2:00 PM JANUARY 22, 2025

PRIMAL RIB	503.73	443.68
PRIMAL CHUCK	302.56	303.04
PRIMAL ROUND	299.41	295.63
PRIMAL LOIN	398.14	368.20
PRIMAL BRISKET	254.02	251.26
PRIMAL SHORT PLATE	221.71	221.71
PRIMAL FLANK	154.96	155.38

2:00 PM JANUARY 21, 2025

PRIMAL RIB	495.67	443.36
PRIMAL CHUCK	302.08	304.86
PRIMAL ROUND	301.54	299.59
PRIMAL LOIN	397.45	368.22
PRIMAL BRISKET	265.38	252.21
PRIMAL SHORT PLATE	223.64	223.64
PRIMAL FLANK	156.71	155.06

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LOAD COUNT AND CUTOUT VALUE SUMMARY FOR PRIOR 5 DAYS

DATE	CHOICE	SELECT	TRIM	GRINDS	TOTAL	600-900	600-900
01/21	100	29	8	15	152	332.05	319.55
01/20	63	18	6	12	100	333.16	319.44
01/17	81	20	11	9	122	333.69	319.83 FRIDAY
01/16	87	19	23	13	142	333.41	319.38
01/15	95	22	0	15	132	334.14	318.04

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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 1:30 PM ARE INCLUDED. JANUARY 22, 2025

CHOICE CUTS	98.57 LOADS	3,942,876 POUNDS
SELECT CUTS	22.02 LOADS	880,746 POUNDS
TRIMMINGS	6.86 LOADS	274,545 POUNDS
GROUND BEEF	11.38 LOADS	455,320 POUNDS

(ONE LOAD EQUALS 40,000 POUNDS)

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ESTIMATES FOR CATTLE ON FEED

U.S. DECEMBER CATTLE MARKETINGS SEEN UP 1.3% FROM A YEAR EARLIER - REUTERS NEWS

	RANGE	AVERAGE	MILLION HEAD
ON FEED AS OF JANUARY 1	97.9-100.5	99.6	11.882
PLACEMENTS IN DECEMBER	90.1-106.8	100	1.698
MARKETINGS IN DECEMBER	100.9-101.8	101.3	1.746

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CASH SALES FOR THE WEEK STARTING OUT STEADY TO HIGHER. KANSAS AND THE SOUTHWEST HAVE BEEN ACTIVE SELLING FROM 201.00 TO 202.00. THE MIDWEST HAS BEEN HOLDING FOR 207.00 AND FEW CATTLE HAVE MOVED.

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THE BIG OPEN INTEREST IS CONCERNING. AT THIS TIME, LONG HEDGERS HAVE NO REASON TO LIQUIDATE BUT SPECULATORS COULD LIQUIDATE AT ANY TIME.

FEBRUARY LIVE CATTLE BUSTED THROUGH CONTRACT HIGHS MADE BACK TO SEPTEMBER 2023.

TRADE VOLUME WAS MODERATE WEDNESDAY AS LIVE CATTLE AND FEEDEREDS SURGED. SELLERS USING BUY STOPS MADE UP MOST OF THE TRADING. LONGS ARE CONTENT HOLDING POSITIONS.

CHOICE BEEF PRICES ARE BEGINNING TO TOP, BUT SELECT BEEF REMAINS HIGH. IT SHOWS THAT CONSUMERS ARE WANTING CHEAPER BEEF. WEDNESDAY CHOICE AT 332.02 WAS BELOW THE 5 DAY SIMPLE AVERAGE AT 333.29 THAT CAN BE AN INDICATOR OF A PRICE REVERSAL.

TRADE TARIFFS ARE A CONCERN. TARIFFS ON CATTLE FROM CANADA AND FEEDERS AND FATS FROM MEXICO.
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TWO OF THE LARGEST WHOLESALES ARE HAVING LABOR DISPUTES. POSSIBLE STOPPAGE OF MOVEMENT.

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FEBRUARY 2025 LIVE CATTLE SETTLED ON JANUARY 22, 2025 AT $200.05
5 DAY ACCUMULATED WEIGHTED AVG STEER PRICE ON JANUARY 22, 2025 WAS $203.51

FIRST NOTICE DAY FEBRUARY 2025 LIVE CATTLE, FEBRUARY 10, 2025
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USDA LIVESTOCK REPORTS FOR JANUARY 2025
JANUARY 24, 2025 – CATTLE ON FEED REPORT
JANUARY 24, 2025 – COLD STORAGE REPORT

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PACKERS ARE CONCERNED ABOUT DEPORTATION OF IMMIGRANT WORKERS. IT IS BELIEVED FIRST IMMIGRANTS TO BE DEPORTED WILL BE THOSE THAT HAVE BROKEN LAWS IN THE U.S. AND LAST WILL BE THOSE THAT ARE EMPLOYED WITH NO CRIMINAL RECORD. PACKERS DEPEND ON IMMIGRANTS WITH AN ESTIMATED 40% TO 50% 0F WORKERS UNDOCUMATED IMMIGRATS.
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LAST WEEK PACKERS BOUGHT 81,000 SHOWLIST CATTLE. ABOUT A THIRD ARE SCHEDULED FOR THE LAST WEEK OF JANUARY. PACKERS HAVE A LOT OF BIG CHOICE CATTLE IN THE MIDWEST.

LAST WEEK CATTLE IN THE MIDWEST AVERAGED 204.12, NEW CASH HIGHS. KANSAS AND TEXAS AVERAGED 201.00 TO 202.00 WITH GOOD MOVEMENT. DRESSED CATTLE WERE $320 TO A FEW AS HIGH AS $327.00

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FOR WEEK ENDING SATURDAY, JANUARY 18, 2025 LIVE CATTLE WEIGHTS WERE UP 57 POUNDS COMPARED TO THE PREVIOUS YEAR AND DRESSED WEIGHTS WERE UP 34 POUNDS. LIVE AND DRESSED WEIGHTS WERE UP 6 POUNDS COMPARED TO THE PREVIOUS WEEK.

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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.
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WEEKLY FUTURES PRICE CHANGE

	01/10/2025	01/17/2025
FEBRUARY 2025 LIVE CATTLE	198.77	196.75
APRIL 2025 LIVE CATTLE	199.47	197.50
JUNE 2025 LIVE CATTLE	194.10	192.20
AUGUST 2025 LIVE CATTLE	191.42	189.47
OCTOBER 2025 LIVE CATTLE	192.45	190.77
DECEMBER 2025 LIVE CATTLE	193.15	192.00

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EXPORTS

BEEF EXPORTS FOR WEEK ENDING JANUARY 16, 2025 WERE LOW AT 9,700 MT. THEY WERE ABOVE A WEEK AGO BUT THEY AREN'T AT LEVELS THAT MAKE A BIG DIFFERENCE. JAPAN BOUGHT 3600 MT FOLLOWED BY CHINA WITH 3500 MT AND SOUTH KOREA WITH A DISAPPOINTING 800 MT

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***NATIONAL DAILY DIRECT CATTLE 01/22/2025

5 DAY ACCUMULATED WEIGHTED AVG

	WEIGHT	PRICE	HEAD
LIVE STEER:	1519	$203.51	35,889
LIVE HEIFER:	1385	$203.34	20,137
DRESSED STEER	994	$322.02	11,435
DRESSED HEIFER:	856	$322.35	1,604

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USDA POSTED SUMMARY CATTLE PRICES ON 01/22/2025

FOB STEER AND HEIFER COMBINED PRICES UNLESS NOTED

IA/MN – CASH FOB – 206.00 ON 170 STEERS
DRESSED DELIVERED NO REPORTABLE TRADE
LIVE DELIVERED - NO REPORTABLE TRADE

NE – CASH FOB - 205.00- ON 198 HEIFERS WEIGHING 1531.6 POUNDS
DRESSED FOB NO REPORTABLE TRADE

KS – CASH – 201.00-201.50
LIVE DELIVERED - NO REPORTABLE TRADE
DRESSED DELIVERED 317.00-

TX/OK/NM - 201.00 ON 3567 GRID PURCHASE

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WEEKLY BEEF PRODUCTION (MILLIONS OF POUNDS) – JANUARY 18, 2025

WEEK ENDING:	BEEF
18-JAN-25	527.0
11 JAN-25	512.1
CHANGE:	2.9%
20-JAN-24	508.4
CHANGE:	508.4
2025 YTD	1287.9
2024 YTD	1426.1
CHANGE:	-9.7%

AVERAGE WEIGHTS (POUNDS) CATTLE
WEEK ENDING LIVE:

18-JAN-2	ESTIMATE	1441
11-JAN-25	ESTIMATE	1435
20-JAN-24	ACTUAL	1384

DRESSED:

18-JAN-25	ESTIMATE	876
11-JAN-25	ESTIMATE	872
20-JAN-24	ACTUAL	842

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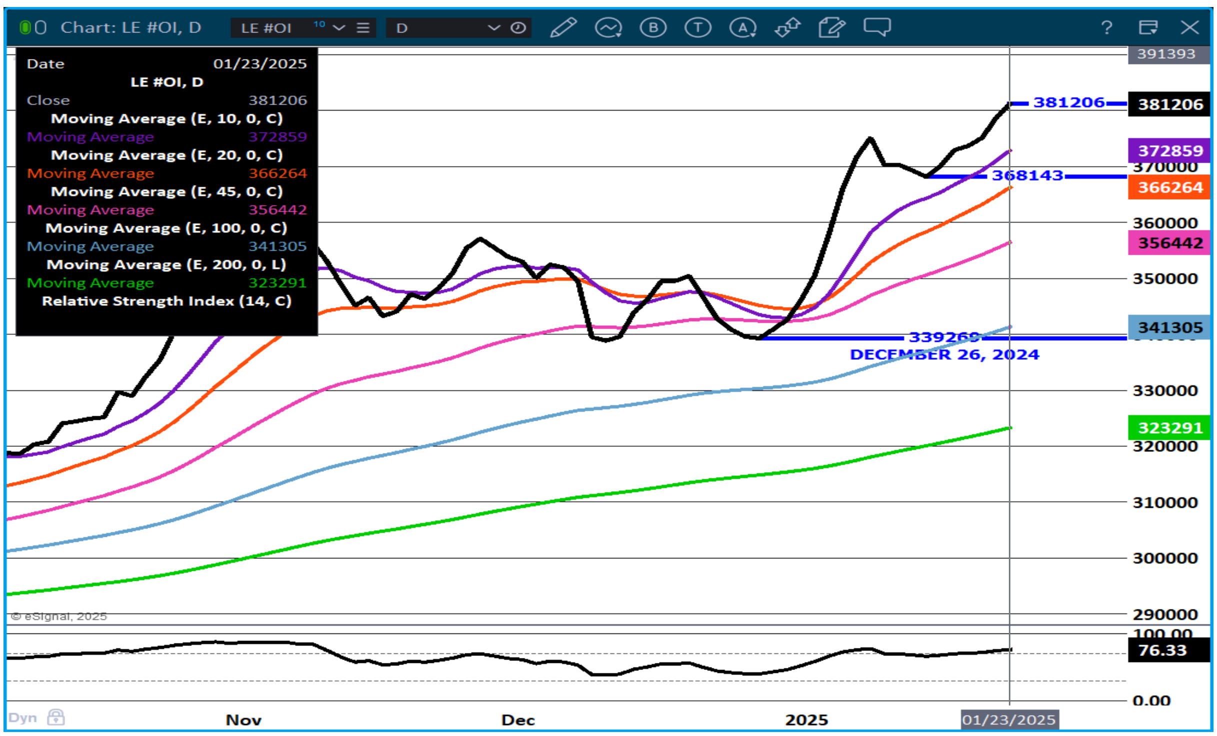
STERLING MARKETING BEEF MARGINS WEEK ENDING JANUARY 18, 2025

PACKER MARGIN ($ /HEAD ($70.95) LAST WEEK ($131.47) MONTH AGO($98.43) YEAR AGO ($109.53)

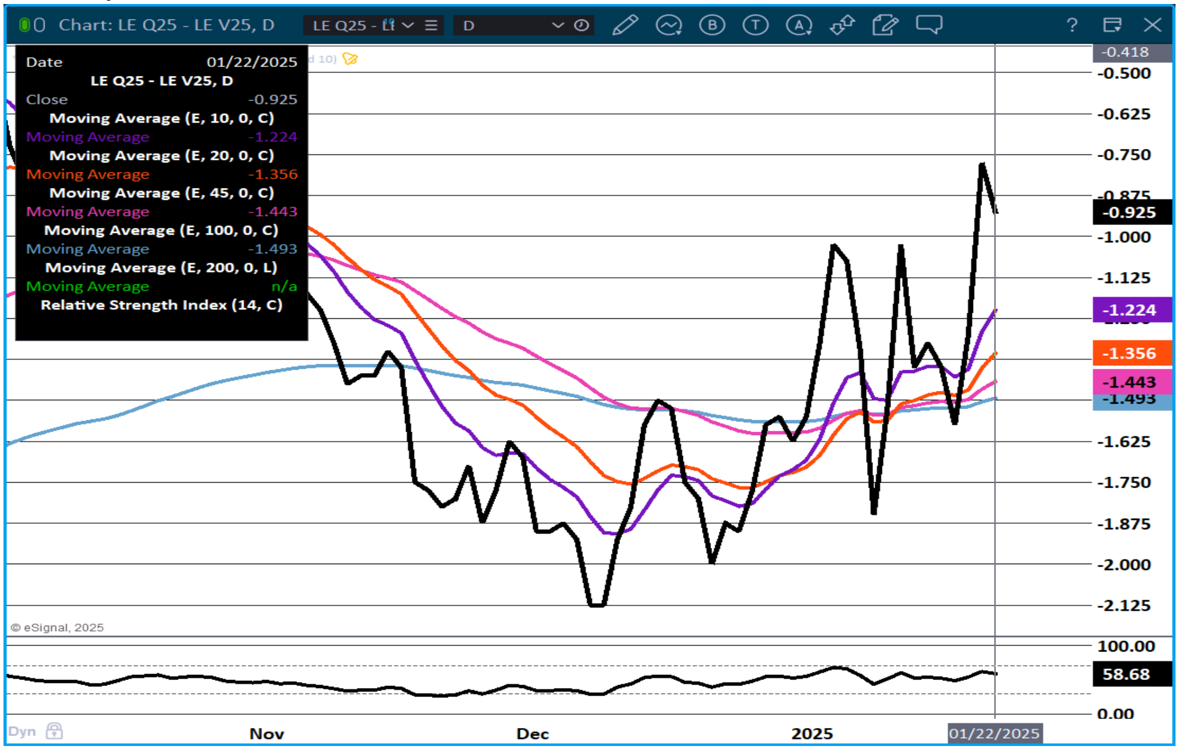
FEEDLOT MARGINS: $303.62 LAST WEEK $220.46 MONTH AGO $145.60 YEAR AGO ($103.43)

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 – BIG OPEN INTEREST. LONGS HOLDING WHILE SHORTS STOPPING OUT.



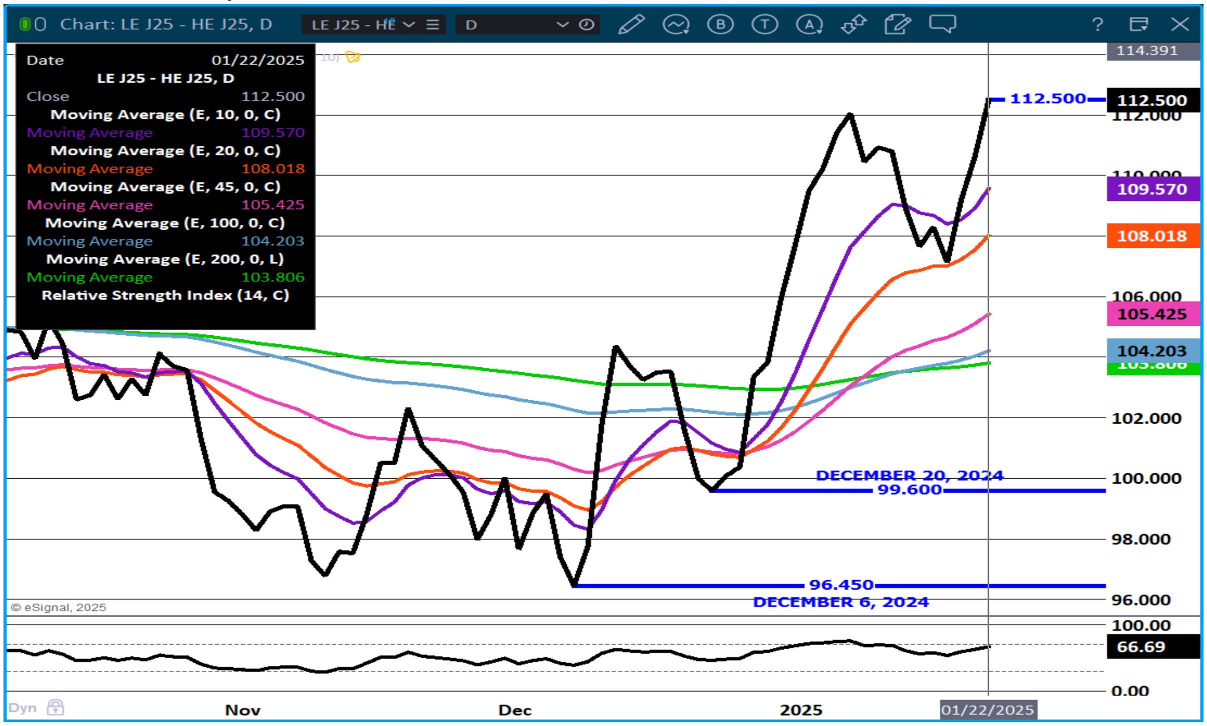
AUGUST/OCTOBER LIVE CATTLE SPREAD GOING FROM BEAR SPREAD TO BULL SPREAD



FEBRUARY LIVE CATTLE – NEW CONTRACT HIGH. RESISTANCE AT 201.50 SUPPORT AT 197.00

APRIL LIVE CATTLE - NEW CONTRACT HIGH RSI AT 65 IS NOT OVERBOUGHT RESISTASNCE 200.00 SUPPORT AT 197.80

APRIL LIVE CATTLE/APRIL LEAN HOG SPREAD – CATTLE GAINING ON HOGS



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FEEDER CATTLE

CME FEEDER INDEX ON 01/21/2024 WAS 278.18 UP .16 FROM PREVIOUS DAY

JANUARY 2025 FEEDER CATTLE SETTLED ON 01/22/2024 AT $277.05
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More Action Needed By Mexico Before Reopening Border for Feeder Cattle Imports, Says Vilsack
https://www.drovers.com/news/ag-policy/more-action-needed-mexico-reopening-border-feeder-cattle-imports-says-vilsack
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NATIONAL FEEDER & STOCKER CATTLE SUMMARY - WEEK ENDING 01/18/2025

RECEIPTS:	Auctions	Direct	Video/Internet	Total
This Week:	334,700	23,600	67,500	425,800
Last Week:	235,200	40,800	111,600	387,600
Year Ago:	96,900	47,000	4,500	148,400

Compared to last week, feeder steers and heifers in the Southeast sold 5.00 to 10.00 higher, while the Central part of the country was steady to 5.00 higher.

https://www.ams.usda.gov/mnreports/sj_ls850.txt
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SPRING FEEDER CATTLE HAVE SURPASSED SUMMER FEEDERS MOVING FROM BEAR SPREADS TO BULL SPREADS. CONTRACT FEEDLOTS ARE ABLE TO PAY HIGHER FOR FEEDERS WITH MANY FEEDERS CONTRACTED AT LOWER PRICES.

BUYERS ARE ALSO PUSHING PRICES WITH NO RESOLVE WITH FEEDERS COMING FROM MEXICO

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WEEKLY PRICE CHANGE

	01/10/2025	01/17/2025
JANUARY 2025 FEEDER CATTLE	272.35	273.50
MARCH 2025 FEEDER CATTLE	269.40	268.05
APRIL 2025 FEEDER CATTLE	270.17	268.12
MAY 2025 FEEDER CATTLE	269.77	267.25
AUGUST 2025 FEEDER CATTLE	273.10	270.35
SEPTEMBER 2025 FEEDER CATTLE	271.85	269.07

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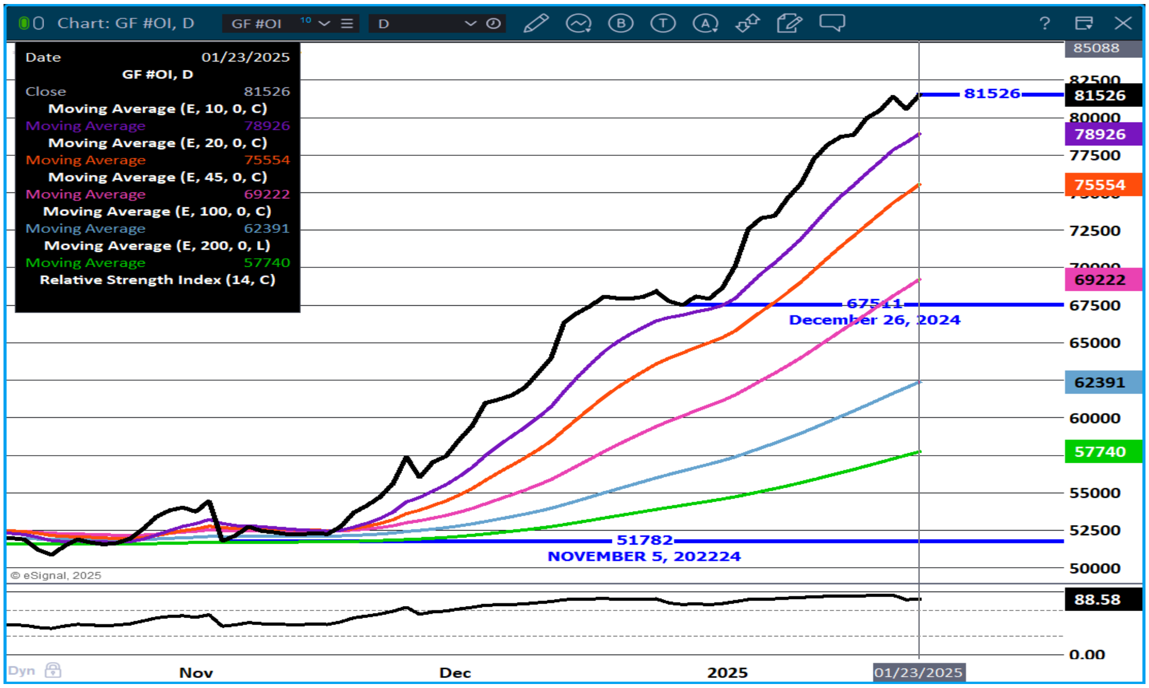
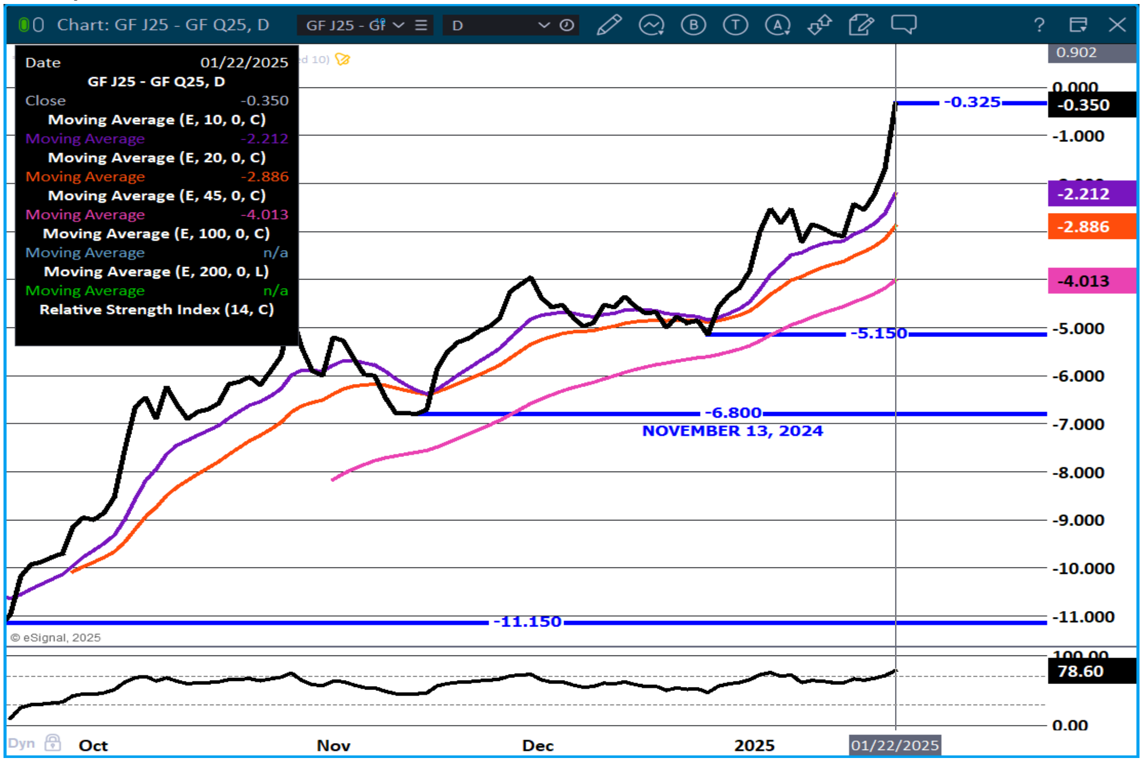
FEEDER CATTLE OPEN INTEREST - LONGS REMAIN IN MARKET AND SHORTS LIQUIDATING



APRIL/AUGUST FEEDER CATTLE SPREAD - GONG FROM BEAR SPREAD TO BULL SPREAD



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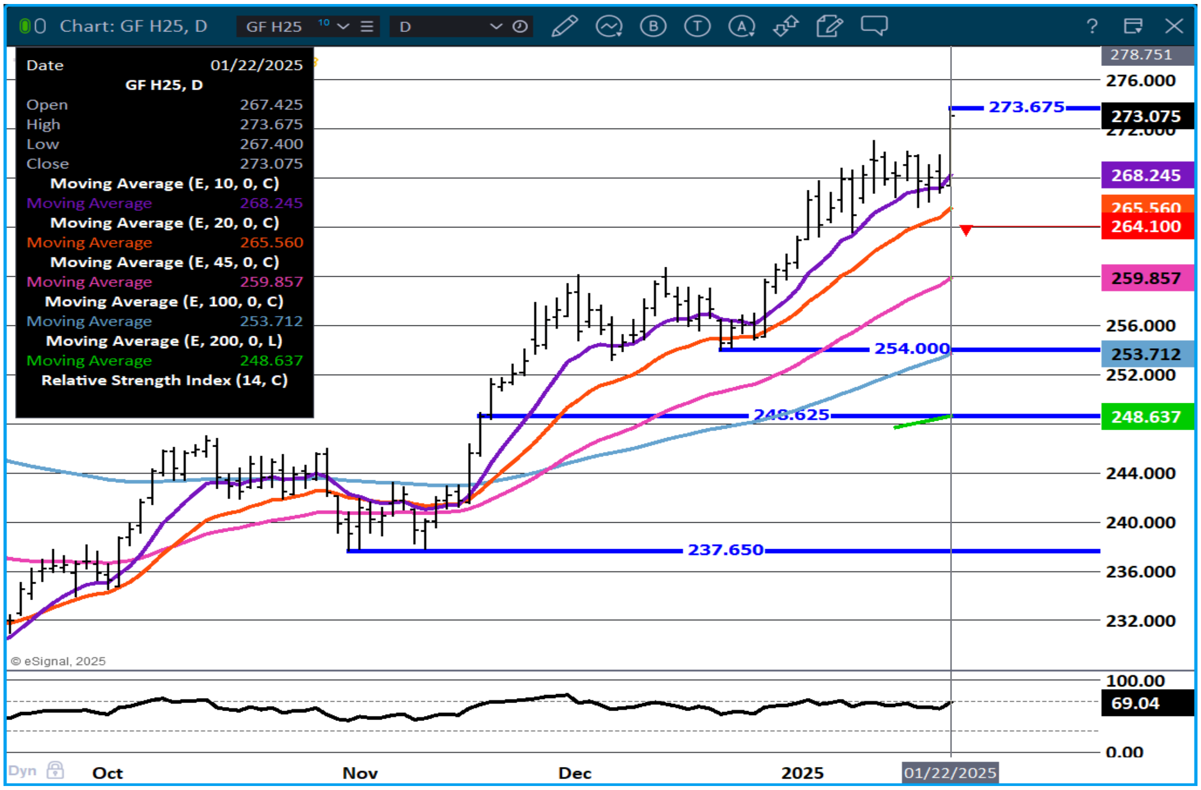
MARCH FEEDER CATTLE - SUPPORT AT 268.20 RESISTANCE AT 273.07 RSI AT 69 IS NOT OVERBOUGHT



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HOGS

REVISION FOR FEBRUARY 21, 2025**482,000** PREVIOUS ESTIMATE 489,000

JANUARY 22, 2025,	489,000
WEEK AGO	477,000
YEAR AGO	479,327
WEEK TO DATE	911,000
PREVIOUS WEEK	963,000
PREVIOUS WEEK 2024	961,746
2025 YEAR TO DATE	7,452,165
2024 YEAR TO DATE	8,118,798
PERCENT CHANGE YEAR TO DATE	-8.2%

HTTPS://WWW.AMS.USDA.GOV/MNREPORTS/AMS_3208.PDF
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CME LEAN HOG INDEX ON 01/20/2025 WAS 81.46 UP .6 FROM PREVIOUS DAY

CME PORK CUTOUT INDEX 01/21/2025 AT 90.97 UP .12 FROM PREVIOUS DAY

THE CME LEAN HOG INDEX IS MINUS $9.51 TO THE CME PORK INDEX 01/22/2025.
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CME LEAN HOG INDEX ON 01/20/2025 WAS $81.46
FEBRUARY 2025 LEAN HOGS CLOSED JANUARY 21, 2025 $81.47
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TRADE VOLUME WAS LIGHT WEDNESDAY. HOGS CLOSED SLIGHTLY HIGHER FOLLOWING THE STRENGTH IN CATTLE AND RECENT SLIGHTLY BETTER CASH PRICES FOR CASH HOGS AND PORK. EXTREME COLD TEMPERATURES AND SNOWY ROADS IN THE SOUTHEAST HAVE SLOWED MOVEMENT OF HOGS. MODERATING AND WARMER TEMPERATURES INTO THE WEEKEND AND NEXT WEEK SHOULD SEE MOVENT INCREASE.

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MEXICO IS PREPARING FOR TARIFFS AND DROPPING AND CANCELLING TARIFFS WITH THE EU TO REPLACE PORK FROM THE U.S. ONE TARIFF WITH THE EU ARE PORK LEGS THAT WAS CANCELLED.
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THE DIFFERENCE BETWEEN THE CME LEAN HOG INDEX AND THE CME PORK CUTOUT AT $9.51 PUTS PACKERS WITH A POSITIVE MARGIN.

WEIGHTS ARE CLOSE TO A YEAR AGO.

HOGS ARE CURRENT.

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WEEKLY FUTURES PRICE CHANGE

	01/10/2025	01/17/2025
FEBRUARY 2025 LEAN HOGS	82.55	81.12
APRIL 2025 LEAN HOGS	88.67	88.32
JUNE 2025 LEAN HOGS	102.57	101.82
JULY 2025 LEAN HOGS	102.60	102.07
AUGUST 2025 LEAN HOGS	101.00	100.72
OCTOBER 2025 LEAN HOGS	83.97	83.72

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EXPORTS

EXPORTS WERE AGAIN GOOD. TRADERS SHOULD BE PLEASED. HOWEVER, THERE IS CONCERN ABOUT POSSIBILITY OF TARIFFS.

CANDADA IS CONCERNED ABOUT TARIFFS ON SHIPPING HOGS TO THE U.S.

NET EXPORTS AT 30,300 MT FOR WEEK ENDING JANUARY 9, 2025. MEXICO WAS LARGEST BUYER WITH 11,700 MT COMPARED TO PREVIOUS WEEK AT 20,600 MT. SOUTH KOREA TOOK 5000 MT JAPAN 4100 MT. CHINA WAS ABSENT.

WEEK ENDING JANUARY 2, 2025 NET SALES OF 31,000 MT,

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WEEKLY PORK PRODUCTION (MILLION POUNDS) SATURDAY, JANUARY 18, 2025

WEEK ENDING	PORK
18-JAN-25	571.7
11-JAN-25	548.7
CHANGE:	4.2%
20 JAN-24	569.8
CHANGE:	0.3%
2025 YTD	1424.4
2024 YTD	1560.0
CHANGE:	-8.7%

WEEKENDING SATURDAY, JANUARY 18, 2025

AVERAGE WEIGHTS (LBS) HOGS

WEEK ENDING LIVE:

18-JAN-25	ESTIMATE	292
11-JAN-25	ESTIMATE	291
20-JAN-24	ACTUAL	292

DRESSED:

18-JAN-25	ESTIMATE	218
11-JAN-25	ESTIMATE	217
20-JAN-24	ACTUAL	218

STERLING PORK PROFIT TRACKER WEEK ENDING - JANUARY 18, 2025

PACKER MARGINS $6.99 LAST WEEK $6.75 MONTH AGO $21.90 YEAR AGO $74.56

FARROW TO FINISH MARGIN $28.74 LAST WEEK $26.18 MONTH AGO $27.22 YEAR AGO ($48.88)

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 : 247.12

LOADS TRIM/PROCESS PORK : 35.59

2:00 PM	LOADS	CARCASS	LOIN	BUTT	PIC	RIB	HAM	BELLY
01/22/2025	282.71	90.17	80.66	102.89	64.80	147.92	77.23	137.11
CHANGE:		-0.65	-1.92	-1.65	-0.75	1.00	0.35	-0.58
FIVE DAY AVERAGE		90.86	82.72	105.75	65.65	147.25	79.06	133.82

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HOG REPORT - PLANT DELIVERED PURCHASE JANUARY 22, 2025

NATIONAL NEGOTIATED PRICE
HEAD COUNT 6,868
LOWEST PRICE: 76.00
HIGHEST PRICE 83.50
WEIGHTED AVERAGE 81.26
CHANGE FROM PREVIOUS DAY 1.51 HIGHER

OTHER MARKET FORMULA (CARCASS)
HEAD COUNT: 24,407
LOWEST BASE PRICE: 61.32
HIGHEST BASE PRICE 92.77
WEIGHTED AVERAGE PRICE 77.22

SWINE/PORK MARKET FORMULA (CARCASS)
HEAD COUNT 183,338
LOWEST BASE PRICE: 74.08
HIGHEST BASE PRICE 84.93
WEIGHTED AVERAGE PRICE 80.70

OTHER PURCHASE ARRANGEMENT (CARCASS)
HEAD COUNT: 64,890
LOWEST BASE PRICE 75.05
HIGHEST BASE PRICE: 102.72
WEIGHTED AVERAGE PRICE 82.25

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NATIONAL DAILY DIRECT HOG PRIOR DAY REPORT - SLAUGHTERED SWINE
HTTPS://WWW.AMS.USDA.GOV/MNREPORTS/AMS_2511.PDF

SLAUGHTER DATA - MONDAY, JANUARY 20, 2025

****PRODUCER SOLD:**
HEAD COUNT 216,521
AVERAGE LIVE WEIGHT 288.92
AVERAGE CARCASS WEIGHT 216.56

PACKER SOLD:
HEAD COUNT 30,047
AVERAGE LIVE 289.15
AVERAGE CARCASS WEIGHT 215.96

PACKER OWNED:
HEAD COUNT 182,597
AVERAGE LIVE WEIGHT 289.42
AVERAGE CARCASS WEIGHT 218.47

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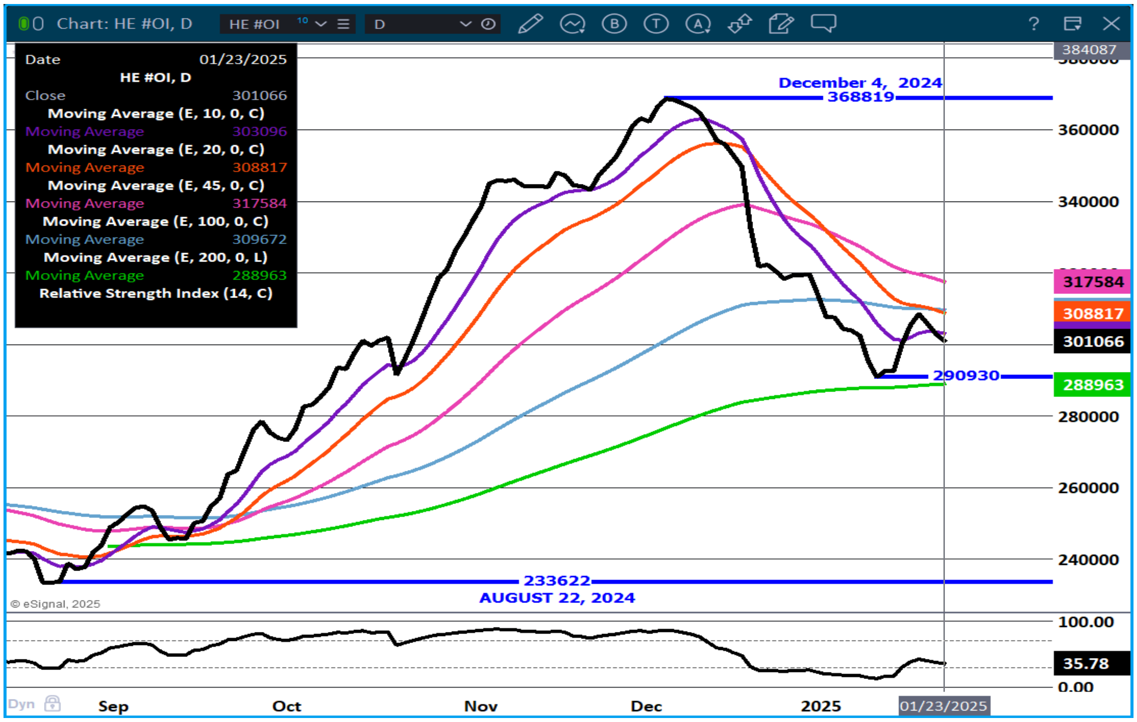
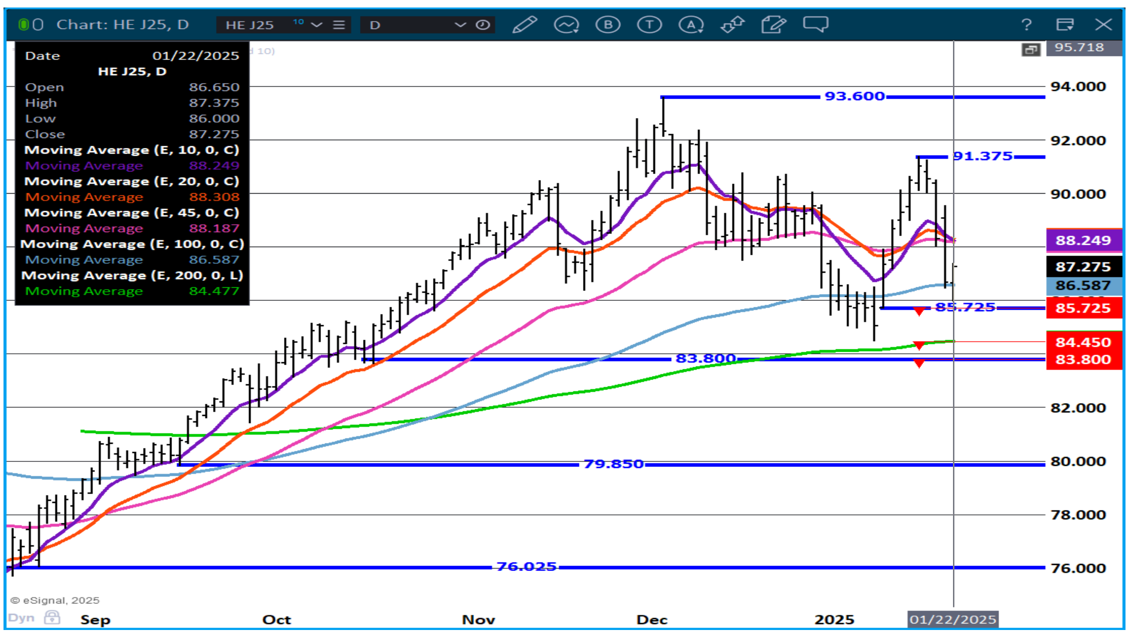
LEAN HOG OPEN INTEREST – OI DECREASING. LONGS NO LONGER WANT TO BE IN MARKET



FEBRUARY 2025 LEAN HOGS – RESISTANCE 81.90 SUPPORT AT 79.80 TO 78.45

APRIL LEAN HOGS - RESISTANCE 88.25 SUPPORT AT 86.55 TO 85.70 VOLUME 21192



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