



ADM Investor
Services, Inc.

Daily Futures Market Commentary Livestock Outlook

WEDNESDAY MORNING FEBRUARY 7, 2024 LIVESTOCK REPORT

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CATTLE

FEBRUARY 6, 2024	125,000
WEEK AGO	127,000
YEAR AGO	125,350
WEEK TO DATE	250,000
PREVIOUS WEEK	252,000
2023 WEEK TO DATE	243,878
YTD 2024	3,197,511
YTD 2023	3,406,825
YTD% CHANGE	-6.1%

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

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2:00 PM FEBRUARY 6, 2024

BOXED BEEF	CHOICE	SELECT
CURRENT CUTOUT VALUES:	294.07	284.60
CHANGE FROM PRIOR DAY:	0.59	0.83
CHOICE/SELECT SPREAD:		9.47
TOTAL LOAD COUNT (CUTS, TRIMMINGS, GRINDS):		107
5 DAY SIMPLE AVERAGE:	294.42	284.34

CME BOXED BEEF INDEX ON 02/05/2024 WAS 292.55 DOWN 66 FROM PREVIOUS DAY

2:00 PM FEBRUARY 6, 2024

PRIMAL RIB	451.09	412.43
PRIMAL CHUCK	260.02	253.74
PRIMAL ROUND	246.83	242.86
PRIMAL LOIN	376.60	363.10
PRIMAL BRISKET	238.95	250.22

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PRIMAL SHORT PLATE	195.89	195.89
PRIMAL FLANK	141.34	141.12

11:00 AM FEBRUARY 6, 2024

PRIMAL RIB	452.45	413.81
PRIMAL CHUCK	261.01	253.19
PRIMAL ROUND	247.09	241.07
PRIMAL LOIN	381.03	363.11
PRIMAL BRISKET	242.51	249.95
PRIMAL SHORT PLATE	196.27	196.27
PRIMAL FLANK	141.39	140.72

2:00 PM FEBRUARY 5, 2024

PRIMAL RIB	455.82	416.28
PRIMAL CHUCK	256.72	249.96
PRIMAL ROUND	244.42	245.96
PRIMAL LOIN	378.85	363.60
PRIMAL BRISKET	238.82	233.35
PRIMAL SHORT PLATE	194.57	194.57
PRIMAL FLANK	141.55	140.50

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LOAD COUNT AND CUTOFF VALUE SUMMARY

Date	Choice	Select	Trim	Grinds	Total		
02/05	52	13	0	20	85	293.48	283.77
02/02	107	22	5	13	147	FRIDAY 293.08	283.47 FRIDAY
02/01	91	11	5	21	128	294.94	283.25
01/31	68	18	13	14	113	294.54	284.17
01/30	82	32	3	17	134	296.07	287.05

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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 6, 2024

Choice Cuts	63.01 loads	2,520,318 pounds
Select Cuts	22.16 loads	886,459 pounds
Trimmings	7.94 loads	317,509 pounds
Ground Beef	13.91 loads	556,205 pounds

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FEBRUARY 2024 LIVE CATTLE DELIVERIES

NO DELIVERIES AS OF 02/06/2024

DATE 02/06/24 SETTLEMENT: \$183.00

OLDEST LONG – 4/18/2023 \$175.10

OPEN INTEREST AS OF FEBRUARY 7, 2024 – 14,523

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So far there have been no cash sales this week. Feedlots in the Midwest are asking \$1.00 to \$3.00 higher.

Choice boxed beef jumped higher Tuesday on early sales led by Chucks, Rounds, Loins, Briskets and Short Plates. Sales were light with a total load movement Tuesday morning of 27.6 Choice loads and 12.94 loads of Select. When buying on the daily meat market, and in this situation when slaughter is down and tonnage is down, buyers have to pay what sellers ask. Higher beef prices helped to push futures higher.

By the afternoon sales boxed beef sales simmered down and with Choice up 59 cents and Select 83 cents higher. Loins were down \$4.43 from the morning sales and \$2.25 lower than Monday's price.

Futures trade volume was active. April Live Cattle Globex volume was 39,480 contracts. Traders are expecting spring beef sales to be strong with current low unemployment and to have fewer cattle in the spring.

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Last week cattle slaughter was 19,000 head more compared to the previous week at 637,000 head. Slaughter was adjusted down 3000 head Friday and adjusted 3000 head higher for Saturday's slaughter with no net change for the weekly slaughter.

Last week packers paid \$177.00 to \$179.00 up \$3.00 to some instances \$4.00 higher. Dressed prices \$280.00 up \$3.00 . There are muddy cattle in the Midwest at \$276.00 with docks.

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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: January 27, 2024 (The week after subzero temperatures)

	Nebraska	Kansas	Texas
Prime	11.65%	6.95%	4.23%
Choice	74.01%	76.82%	64.41%
Select	9.77%	13.23%	29.17%
Other	4.58%	3.00%	2.19%

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For Week Ending: January 20, 2024

	Nebraska	Kansas	Texas
Prime	12.85%	7.06%	4.56%
Choice	74.52%	77.53%	64.52%
Select	8.21%	12.19%	29.03%
Other	4.42%	3.21%	1.89%

EXPORTS

A year ago total January 2023 exports were 100,942 MT.

For week ending January 25, 2024 net exports were 16,700 MT

Week Ending January 18, 2024	22,400 MT
Week Ending January 11, 2024	21,400 MT
Week Ending January 4, 2024	12,200 MT
Week Ending December 28, 2023	9,500 MT

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

NATIONAL WEEKLY FED CATTLE COMPREHENSIVE REPORT FEBRUARY 6, 2024

As of February 6, 2024, dressed steer and heifer carcasses averaged 869.2 pounds down 5.5 pounds from previous week falling 32 pounds in 3 weeks, and down 2.4 pounds from a year ago. The grading percent as of 02/06/24 was 82.9% compared to previous week at 82.9% unchanged for the week. On February 7, 2023 carcasses weighed 871.6 pounds and graded 84.9%.

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

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***NATIONAL DAILY DIRECT CATTLE 02/06/2024

5 DAY ACCUMULATED WEIGHTED AVG

	WEIGHT	PRICE	HEAD
LIVE STEER:	1479	\$177.82	25,065
LIVE HEIFER:	1320	\$177.62	15,978
DRESSED STEER	941	\$279.78	12,501
DRESSED HEIFER:	854	\$280.45	3,720

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**USDA POSTED SUMMARY CATTLE PRICES ON 02/06/2024
STEER AND HEIFER COMBINED PRICES**

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

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NE – CASH FOB – NO REPORTABLE TRADE.
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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APRIL 2024 LIVE CATTLE/ APRIL 2024 LEAN HOGS –
APRIL 2024/JUNE 2024 LIVE CATTLE SPREAD –
FEBRUARY 2024 LIVE CATTLE –
APRIL 2024 LIVE CATTLE –
JUNE 2024 LIVE CATTLE –

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FEEDER CATTLE

CME FEEDER INDEX ON 02/05/2024 WAS 239.58 UP 10 CENTS FROM PREVIOUS DAY

MARCH 2024 FEEDER CATTLE FUTURES SETTLED ON 02/06/2024 AT \$246.67

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NATIONAL FEEDER & STOCKER CATTLE SUMMARY - WEEK ENDING 02/03/2024

RECEIPTS:	AUCTIONS	DIRECT	VIDEO/INTERNET	TOTAL
THIS WEEK:	286,500	52,600	6,200	345,300
LAST WEEK:	257,600	47,500	48,100	353,200
YEAR AGO:	147,900	31,100	49,400	228,400

COMPARED TO LAST WEEK, STEERS AND HEIFERS IN THE SOUTHEAST SOLD 9.00 TO 14.00 HIGHER, WHILE OTHER REGIONS SOLD 5.00 TO 10.00 HIGHER. DEMAND WAS GOOD TO VERY GOOD IN PLACES AS BUYERS ARE TRYING TO FILL ORDERS FOR GRAZING CALVES ALREADY AND BIGGER FEEDER CATTLE ARE NOT HAVING MANY PROBLEMS FINDING PEN SPACE IN FEEDLOTS EITHER. CALF PRICES ARE PUSHING THE ENVELOPE INTO NEW TERRITORY, AND YEARLINGS CONTINUE TO PUSH HIGHER AFTER THE LATE NOVEMBER- DECEMBER COLLAPSE IN THE FUTURES. THE CME FEEDER CATTLE INDEX MOVES TOWARDS THE PREVIOUS HIGH THAT SET IN LATE SEPTEMBER 2023.

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APRIL 2024 FEEDER CATTLE/MAY 2024 FEEDER CATTLE SPREAD –
MARCH 2024 FEEDER CATTLE –
MAY 2024 FEEDER CATTLE –

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HOGS

USDA ESTIMATED FEDERAL HOG SLAUGHTER

FEBRUARY 6, 2024	492,000
WEEK AGO	492,000
YEAR AGO	474,655
WEEK TO DATE	979,000
PREVIOUS WEEK	982,000
2023 WEEK TO DATE	952,761
YTD 2024	13,516,052
YTD 2023	13,665,863
YTD% CHANGE	-1.1%

Revision February 5, 2024 487,000 **Previous Estimate 492,000

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CME LEAN HOG INDEX ON 02/02/2024 WAS 73.56 UP 44 CENTS FROM PREVIOUS DAY

CME PORK CUTOUT INDEX 02/05/2024 AT 88.18 DOWN 26 CENTS FROM PREVIOUS DAY

THE CME LEAN HOG INDEX IS MINUS \$14.62 TO THE CME PORK INDEX. 02/06/2024

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Tuesday Lean Hog trade volume was light to moderate. April fell to the 20 day moving average closing below the 5, 10 and 200 day moving average. Support is \$81.00 to 79.50 resistance at 82.50

Pork prices were down Tuesday with the daily carcass price off \$1.37 and the five day carcass average down 46 cents at 87.68. Bellies that moved the carcass higher has recently started to give up the gains of January 2024 and Tuesday dropped \$5.96 to \$131.51. On Friday, February 2, 2024 bellies on the daily market were \$143.96. Hams were lower Tuesday at \$70.77 dropping below the 5 day average at \$71.45. Loins have been steady over the past 5 days trading between 83.50 to \$84.55 with an average price at \$84.09.

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Keep an eye on bellies and exports over the next couple of weeks. The surge in bellies could be exports and possibly the exports to China as bellies are a product used as gifts and popular at holiday dinners.

Strong exports definitely are helping the hog market.

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Exports were strong last week as China increased purchases and Mexico added more pork. It is very likely the increase from China is pork to refill storage as Chinese buy more pork for the Lunar holiday. It is common to see one to two large increases in exports this time of the year.

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The CME Lean Hog Index to the CME Pork Index and has been narrowing but still shows a positive packer margin. It is something that needs to be watched.

February 2024 Lean Hogs are 9 cents over the CME Lean Hog Index.

April settled \$7.77 over February. June is \$13.95 over April.

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EXPORTS

EXPORTS WERE UP FOR WEEK ENDING JANUARY 25, 2024 AT 42,900 MT. MEXICO WAS THE LARGEST BUYER TAKING 13,400 MT AND CHINA WAS SECOND LARGEST BUYER WITH 12,600 MT. CANADA TOOK 4200MT .

A YEAR AGO TOTAL PORK EXPORTS FOR ALL OF JANUARY 2023 WERE 236,767 MT.

WEEK ENDING JANUARY 18, 2024 NET EXPORTS WERE 24,100 MT
WEEK ENDING JANUARY 11, 2024 NET EXPORTS WERE 33,400 MT
WEEK ENDING JANUARY 4, 2024 NET EXPORTS WERE 23,300 MT
WEEK ENDING DECEMBER 28, 2023 NET EXPORTS WERE 17,800 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 : 300.91

Loads TRIM/PROCESS PORK : 59.88

2:00 PM	LOADS	CARCASS	LOIN	BUTT	PIC	RIB	HAM	BELLY
02/06/2024	360.79	86.23	84.13	99.82	59.02	136.74	70.77	131.51
CHANGE:		-1.37	0.63	-0.67	-2.47	2.97	-1.12	-5.96
FIVE DAY AVERAGE --		87.68	84.09	98.55	61.52	133.35	71.45	138.51

11:00 AM	LOADS	CARCASS	LOIN	BUTT	PIC	RIB	HAM	BELLY
02/06/2024	193.77	86.64	84.59	100.26	61.63	137.81	70.84	130.79
CHANGE:		-0.96	1.09	-0.23	0.14	4.04	-1.05	-6.68
FIVE DAY AVERAGE --		87.76	84.18	98.64	62.04	133.56	71.46	138.36

2:00 PM	LOADS	CARCASS	LOIN	BUTT	PIC	RIB	HAM	BELLY
02/05/2024	240.82	87.60	83.50	100.49	61.49	133.77	71.89	137.47
CHANGE:		0.80	-1.05	2.68	0.35	2.41	0.96	-6.49
FIVE DAY AVERAGE --		88.14	84.36	98.50	62.63	132.77	71.36	140.36

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HOG REPORT - PLANT DELIVERED PURCHASE FEBRUARY 6, 2024

National Negotiated Price

Head Count: 3,554
 Lowest price: 58.00
 Highest price: 67.50
 Weighted Average 65.45
 Change from Previous Day 4.58 higher

Other Market Formula (Carcass)

Head Count: 26,370
 Lowest Base Price: 56.25
 Highest Base Price: 77.12
 Weighted Average Price: 71.33

Swine/Pork Market Formula (Carcass)

Head Count 154,250
 Lowest base price: 52.70
 Highest Base Price: 81.58
 Weighted Average Price 73.19

Other Purchase Arrangement (Carcass)

HEAD COUNT: 66,616
 Lowest base price: 66.55
 Highest base price: 101.24
 Weighted Average Price: 78.56

<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 5, 2024

****PRODUCER SOLD:**

HEAD COUNT 233,100
AVERAGE LIVE WEIGHT 286.20
AVERAGE CARCASS WEIGHT 214.37

PACKER SOLD:

HEAD COUNT 34,219
AVERAGE LIVE WEIGHT 288.71
AVERAGE CARCASS WEIGHT 217.62

PACKER OWNED:

HEAD COUNT 177,689
AVERAGE LIVE WEIGHT 285.36
AVERAGE CARCASS WEIGHT 218.38

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FEBRUARY/APRIL LEAN HOG SPREAD –
OCTOBER/DECEMBER 2024 LEAN HOG SPREAD –
FEBRUARY 2024 LEAN HOGS –
APRIL 2024 LEAN HOGS –
JUNE 2024 LEAN HOGS –

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CHARTS FROM ESIGNAL INTERACTIVE, INC.

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