



ADM Investor
Services, Inc.

Daily Futures Market Commentary Livestock Outlook

TUESDAY MORNING APRIL 23, 2024 LIVESTOCK REPORT

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CATTLE

APRIL 19, 2024	113,000
WEEK AGO	121,000
YEAR AGO	125,147
2024 YEAR TO DATE	9,656,288
2023 YEAR TO DATE	10,154,258
PERCENT CHANGE YEAR TO DATE	-4.9%

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

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2:00 PM APRIL 22, 2024

BOXED BEEF	CHOICE	SELECT
CURRENT CUTOUT VALUES:	295.93	291.87
CHANGE FROM PRIOR DAY:	0.26	1.04
CHOICE/SELECT SPREAD:		4.06
TOTAL LOAD COUNT (CUTS, TRIMMINGS, GRINDS):		104
5 DAY SIMPLE AVERAGE:	297.44	290.99

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CME BOXED BEEF INDEX ON 04/19/2024 WAS 295.80 DOWN 89 FROM PREVIOUS DAY

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2:00 PM APRIL 22, 2024

PRIMAL RIB	431.45	432.25
PRIMAL CHUCK	247.91	246.64
PRIMAL ROUND	247.15	246.61
PRIMAL LOIN	397.89	381.76
PRIMAL BRISKET	238.88	235.95

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PRIMAL SHORT PLATE	232.88	232.88
PRIMAL FLANK	155.17	152.66

2:00 PM APRIL 19, 2024

PRIMAL RIB	433.98	426.91
PRIMAL CHUCK	248.70	248.43
PRIMAL ROUND	245.25	245.66
PRIMAL LOIN	397.08	378.85
PRIMAL BRISKET	238.09	236.27
PRIMAL SHORT PLATE	231.65	231.65
PRIMAL FLANK	153.37	151.08

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LOAD COUNT AND CUTOFF VALUE SUMMARY

Date	Choice	Select	Trim	Grinds	Total		
04/19	77	20	16	13	126	295.67	290.83
04/18	108	15	0	20	143	295.80	289.27
04/17	73	29	0	20	122	296.81	290.88
04/16	71	17	8	16	111	298.02	292.64
04/15	53	22	0	15	90	300.88	291.34
04/12	66	17	7	15	106	FRIDAY 300.57	295.54 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 22, 2024

Choice Cuts	68.00 loads	2,720,177 pounds
Select Cuts	12.34 loads	493,619 pounds
Trimmings	0.00 loads	0 pounds
Ground Beef	23.30 loads	931,912 pounds

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WEEKLY FUTURES PRICE CHANGE

	04/12/2023	04/19/2024	CONTRACT HIGH
APRIL 2024 LIVE CATTLE	178.90	181.47	199.82 9/15/2023
JUNE 2024 LIVE CATTLE	171.47	175.67	194.02 9/15/2023
AUGUST 2024 LIVE CATTLE	168.75	173.55	192.45 9/15/2023
OCTOBER 2024 LIVE CATTLE	171.77	176.75	194.67 9/15/2023
DECEMBER 2024 LIVE CATTLE	176.27	180.97	197.47 9/15/2023
FEBRUARY 2025 LIVE CATTLE	180.00	184.35	199.57 9/20/2023
APRIL 2025 LIVE CATTLE	182.35	186.52	196.40 3/14/2024

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APRIL 2024 LIVE CATTLE DELIVERIES

0 DELIVERIES ON APRIL 22, 2024

DATE 04/22/24 SETTLEMENT: \$183.82

OLDEST LONG – 10/12/2023 \$195.00

FIRM # FIRM NAME DEL REC

APRIL 2024 LIVE CATTLE OPEN INTEREST 04/22/2024 – 1,624 CONTRACTS DOWN FROM 2,181 CONTRACTS

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USDA COLD STORAGE REPORT - APRIL 24, 2024

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Monday’s trading was expected. April 2024 Live Cattle traded the cash market. At this time it is normal to have futures \$2.00 to \$3.00 above the cash market. Beef prices have been steadily falling and demand is for cheaper beef.

For June and August Cattle because of the low placements and the discount that both contracts had with the current April and cash market, prices were up but also remained bull spread. For October on out because futures were bear spread before the COF report, they are moving to bull spreads.

The report shows why Live Cattle futures have been bull spread through August. On Friday, April Live Cattle settled \$5.80 over June and June settled \$2.12 over August. On Monday the April/June spread was \$5.90 and the June/August spread was \$1.77.

The Monday following the March 22nd COF report April Live Cattle settled at \$186.20 and June Live Cattle settled at \$181.60, August settled at \$179.97. Choice boxed beef was \$310.89 and Select was \$301.96. The beef market versus the COF report is driving the market.

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USDA CATTLE ON FEED REPORT - APRIL 19, 2024

	Range	Average	Actual	Million Head	Est Million head
On feed April 1	101-103.1	102.1	101	11.821	11.856
Placements in March	89.3-95.9	93.0	88	1.746	1.853
Marketings in March	86-91.1	88.1	86	1.706	1.742

Cattle and calves on feed for the slaughter market in the United States for feedlots with capacity of 1,000 or more head totaled 11.8 million head on April 1, 2024. The inventory was 1 percent above

April 1, 2023. The inventory included 7.27 million steers and steer calves, up 2 percent from the previous year. This group accounted for 61 percent of the total inventory. Heifers and heifer calves accounted for 4.56 million head, up 1 percent from 2023.

Placements in feedlots during March totaled 1.75 million head, 12 percent below 2023. Net placements were 1.69 million head. During March, placements of cattle and calves weighing less than 600 pounds were 330,000 head, 600-699 pounds were 260,000 head, 700-799 pounds were 460,000 head, 800-899 pounds were 466,000 head, 900-999 pounds were 170,000 head, and 1,000 pounds and greater were 60,000 head.

Marketings of fed cattle during March totaled 1.71 million head, 14 percent below 2023.

Other disappearance totaled 57,000 head during March, 8 percent above 2023.

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Last week, cash cattle in the Southwest sold for \$182.00 with Kansas selling at \$183.00. In the Midwest cattle went for \$183.00 to \$184.00, \$1.00 lower.

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For week ending April 19, 2024 cattle slaughter increased over the previous week by 17,000 head.

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HOW U.S. BEEF IMPORTS ARE AFFECTING PRICE.

As of February beef imports into the U.S. were up 24% compared to 2023. With consumers and the restaurant industry wanting cheaper beef, they aren't looking at the origin where beef is produced. Beef prices have been moving lower. Consumer demand is a major reason for it. Countries like Brazil and Argentina in 2024 will become even larger suppliers because they need to sell their larger supplies and lower movement of beef to China. Exporting countries have more opportunities to source beef.

U.S. beef buyers are buying cheaper imports. Beef imports from Brazil to the US compared to 2023 are 41.8% higher. Increased imports are also from Canada, Australia, Uruguay and New Zealand. For 2023 the U.S imported a record amount of beef at 3.71 billion pounds. For 2024 the USDA estimates beef imports to increase by 400 million pounds to 3.77 billion pounds.

Put into perspective, it is 94,250 loads weighing 40,000 pounds or close to 336.5 loads per packer work day, close to 3 times the amount of loads currently moved on the daily load movement.

A year ago the average steer price was \$180.50 in the Midwest and \$174.00 in the Southwest for an average steer price at \$179.63. For week ending April 21, 2023 Choice beef was \$306.77 and Select beef was \$289.16. Although there are fewer cattle slaughtered in 2024, weights are heavier** and more beef is imported. Heavier cattle and more imports are affecting price.

Packers average 5.5 days per week or 286 days a year. Slaughter of late has been reduced but year after year the rule of thumb is 5.5 days.

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There is also a change how beef is selling in 2024 compared to 2023. For 2024, rib and loin primals are lower and chucks and rounds are higher compared to 2023.

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April Live Cattle settled Monday at \$183.82. The 5 day accumulated weighted steer price as of April 22nd was \$182.74.

There have no deliveries for April 2024 Live Cattle.

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EXPORTS WEEK

FOR WEEK ENDING APRIL 11, 2024 BEEF EXPORTS WERE 17,700 MT. SOUTH KOREA WAS THE LARGEST BUYER TAKING 5,400 MT, FOLLOWED BY CHINA WITH 3,600 MT. JAPAN TOOK 2,800 MT. BEEF EXPORTS AREN'T SEEING ANY CONSISTENT BIG BUYERS.

WEEK ENDING APRIL 4, 2024	13,600 MT
WEEK ENDING MARCH 28, 2024	18,700 MT
WEEK ENDING MARCH 21, 2024	12,700 MT
WEEK ENDING MARCH 14, 2024	11,200 MT

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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: 4/13/2024

	Nebraska	Kansas	Texas
Prime	14.16%	9.44%	5.69%
Choice	73.86%	75.70%	66.15%
Select	6.15%	11.80%	25.92%
Other	5.84%	3.07%	2.24%

For Week Ending: 4/6/2024

	Nebraska	Kansas	Texas
Prime	14.03%	9.59%	5.72%
Choice	73.54%	74.54%	67.18%
Select	6.94%	12.71%	25.46%
Other	5.48%	3.17%	1.64%

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NATIONAL WEEKLY FED CATTLE COMPREHENSIVE REPORT APRIL 16, 2024

As of April 16, 2024, dressed steer and heifer carcasses averaged 885.9 pounds up 5 pounds from previous week and up 26 pounds from a year ago. The grading percent as of 04/16/24 was 84.3 % compared to previous week at 84.5%. On April 18, 2023 carcasses weighed 859.9 pounds and graded 83.5%.

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

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***NATIONAL DAILY DIRECT CATTLE 04/22/2024
5 DAY ACCUMULATED WEIGHTED AVG

	WEIGHT	PRICE	HEAD
LIVE STEER:	1473	\$182.74	26,647
LIVE HEIFER:	1342	\$182.61	14,785
DRESSED STEER	959	\$292.78	11,611
DRESSED HEIFER:	870	\$292.50	4,938

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USDA POSTED SUMMARY CATTLE PRICES ON 04/22/2024
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.
LIVE DELIVERED - 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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AUGUST/OCTOBER LIVE CATTLE SPREAD –
JUNE 2024 LIVE CATTLE -
OCTOBER 2024 LIVE CATTLE –

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FEEDER CATTLE

CME FEEDER INDEX ON 04/19/2024 WAS 242.11 UP 38 CENTS FROM PREVIOUS DAY

APRIL 2024 FEEDER CATTLE FUTURES SETTLED ON 04/22/2024 AT \$242.90

On Monday from August on out, traders were bull spreading changing from pre-report bear spreads.

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NATIONAL FEEDER & STOCKER CATTLE SUMMARY - WEEK ENDING 04/20/2024

RECEIPTS:	Auctions	Direct	Video/Internet	Total
This Week:	167,700	44,900	70,900	283,500
Last Week:	167,600	32,300	7,200	207,100
Year Ago:	198,400	43,100	6,600	248,100

Compared to last week, steers and heifers sold uneven; 3.00 lower to 3.00 higher. Good demand for all weights of steers and heifers despite the lower CME Live Cattle futures contracts in recent weeks. The supply of feeders was moderate with many reporters noting a change in the make-up of the feeder supply in some states over the last two or three weeks. Some have a much larger percentage of the offering changing to short or non-weaned new crop calves carrying a bit more flesh and not providing that immediate gain for new owners. Turnout time is very near, which is keeping the demand for grass cattle red hot.

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

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WEEKLY FUTURES PRICE CHANGE

	04/12/2023	04/19/2024	CONTRACT HIGH
APRIL 2024 FEEDER CATTLE	237.60	241.32	273.60 SEPTEMBER 19, 2023
MAY 2024 FEEDER CATTLE	234.20	242.00	272.47 SEPTEMBER 15, 2023
AUGUST 2024 FEEDER CATTLE	245.50	253.50	282.92 SEPTEMBER 20, 2023
SEPTEMBER 2024 FEEDER CATTLE	246.95	254.42	285.90 SEPTEMBER 28, 2023
OCTOBER 2024 FEEDER CATTLE	247.90	254.92	275.17 FEBRUARY 8, 2024
NOVEMBER 2024 FEEDER CATTLE	247.75	254.45	274.70 FEBRUARY 8, 2024

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MAY 2024 FEEDER CATTLE –
AUGUST 2024 FEEDER CATTLE –

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HOGS

USDA ESTIMATED FEDERAL HOG SLAUGHTER

APRIL 22, 2024	487,000
WEEK AGO	482,000
YEAR AGO	467,164
2024 YEAR TO DATE	40,527,537
2023 *YEAR TO DATE	40,234,743
YEAR TO DATE PERCENT CHANGE	0.7%

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

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CME LEAN HOG INDEX ON 04/18/2024 WAS 91.35 DOWN 11 CENTS FROM PREVIOUS DAY

CME PORK CUTOUT INDEX 08/19/2024 AT 100.51 DOWN 27 CENTS FROM PREVIOUS DAY

THE CME LEAN HOG INDEX IS MINUS \$9.16 TO THE CME PORK INDEX 04/22/2024

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WEEKLY FUTURES PRICE CHANGE

	04/12/2023	04/19/2024	CONTRACT HIGH
APRIL 2024 LEAN HOGS	90.87 (SETTLED 4/12/2024)		91.80 APRIL 10, 2024
JUNE 2024 LEAN HOGS	102.07	104.82	109.65 APRIL 10, 2024
JULY 2024 LEAN HOGS	104.25	106.47	111.25 APRIL 10, 2024
AUGUST 2024 LEAN HOGS	102.25	104.05	108.30 APRIL 10, 2024
OCTOBER 2024 LEAN HOGS	86.12	86.25	89.40 APRIL 9, 2024
DECEMBER 2024 LEAN HOGS	77.27	77.17	80.65 JUNE 21, 2023
FEBRUARY 2025 LEAN HOGS	80.30	80.35	82.05 APRIL 8, 2024
APRIL 2025 LEAN HOGS	83.80	84.02	88.00 OCTOBER 13, 2023

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The pork market can't lose the ham trade for exports. The spring and summer are not a time in the US when hams sell. Butts, picnics, and ribs are popular restaurant items and are exported products but don't move markets like hams and loins. Loins run into resistance when around \$100.

Monday the pork carcass was up \$1.61 but the 5 day average was off and at \$100.17. Last week it settled at \$100.55.

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Monday, the CME Lean Hog Index narrowed to the CME Pork Index for the third day. As this happens packer profit margins are less.

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Pork exports were less than half of the previous week and a marketing year low. A big drop in one week doesn't mean a lot but if exports continue to drop, it is negative because exports have been the bright light for pork prices.

If beef prices continue to decline, it is likely to see a drop in pork prices.

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June 2024 Lean Hogs are the front month. This is a time that speculators can and often do take control of trading.

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Early Friday the Mexican Peso tumbled down to the US Dollar. By the close, the Peso recovered nearly all of the loss. The Mexican market is the reason pork exports have been so strong in 2023 and in 2024. U.S. pork exports depend on the Mexican market.

The Peso is going down and the U.S. Dollar is going up. Export traders are hedged currencies so in the short run, the Peso going down shouldn't affect trade, but since the Brazilian's are working hard on getting more products into Mexico and need to sell more pork to make up for slower sales to China, a strong U.S. Dollar to a cheaper Mexican Peso will affect sales. The big plus for U.S. pork is Mexico borders the U.S.

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EXPORTS

FOR THE WEEK ENDING APRIL 11, 2024 NET EXPORTS WERE 21,800 MT AND A MARKETING YEAR LOW. MEXICO, THE LARGEST BUYER TOOK 8,500 MT COMPARED TO A WEEK AGO AT 19,700 MT, CHINA TOOK 3000 MT LESS THAN HALF OF A WEEK AGO AND JAPAN WAS THE THIRD LARGEST BUYER AT 2900 MT.

WEEK ENDING APRIL 4, 2024 NET EXPORTS WERE 47,400 MT
 WEEK ENDING MARCH 28, 2024 NET EXPORT WERE 28,700 MT
 WEEK ENDING MARCH 21, 2024 NET EXPORTS WERE 55,300 MT
 WEEK ENDING MARCH 14, 2024 NET EXPORTS WERE 33,800 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 : 204.68
 Loads TRIM/PROCESS PORK : 29.70

2:00 PM	LOADS	CARCASS	LOIN	BUTT	PIC	RIB	HAM	BELLY
04/22/2024	234.38	101.70	98.48	129.47	80.74	169.36	84.55	134.48
CHANGE:		1.61	-0.97	-0.38	3.35	4.21	-0.11	6.06
FIVE DAY AVERAGE --		100.17	99.00	128.34	77.71	165.93	85.32	127.74

11:00 AM	LOADS	CARCASS	LOIN	BUTT	PIC	RIB	HAM	BELLY
04/22/2024	145.32	101.65	98.47	128.30	81.63	170.08	86.33	131.47
CHANGE:		1.56	-0.98	-1.55	4.24	4.93	1.67	3.05
FIVE DAY AVERAGE --		100.16	98.99	128.11	77.89	166.07	85.67	127.14

2:00 PM	LOADS	CARCASS	LOIN	BUTT	PIC	RIB	HAM	BELLY
04/19/2024	214.37	100.09	99.45	129.85	77.39	165.15	84.66	128.42
CHANGE:		0.13	0.47	0.96	-0.29	1.92	0.14	-0.24
FIVE DAY AVERAGE --		100.55	98.88	127.47	76.62	165.15	86.45	130.35

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HOG REPORT - PLANT DELIVERED PURCHASE APRIL 22, 2024

National Negotiated Price

Head Count: 1,014

Lowest price: 83.50

Highest price: 92.00

Weighted Average 90.31

Change from Previous Day 1.82 higher

Other Market Formula (Carcass)

Head Count: 31,116

Lowest Base Price: 75.37

Highest Base Price: 105.00

Weighted Average Price: 93.48

Swine/Pork Market Formula (Carcass)

Head Count 201,456

Lowest base price: 80.80

Highest Base Price: 94.35

Weighted Average Price 89.83

Other Purchase Arrangement (Carcass)

HEAD COUNT: 171,710

Lowest base price: 79.09

Highest base price: 104.77

Weighted Average Price: 87.78

<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, APRIL 19, 2024 AND SATURDAY, APRIL 20, 2024

****PRODUCER SOLD:**

HEAD COUNT 273,409

AVERAGE LIVE WEIGHT 287.36

AVERAGE CARCASS WEIGHT 215.52

PACKER SOLD:

HEAD COUNT 35,186

AVERAGE LIVE WEIGHT 290.71

AVERAGE CARCASS WEIGHT 218.80

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PACKER OWNED:
HEAD COUNT 191,547
AVERAGE LIVE WEIGHT 290.00
AVERAGE CARCASS WEIGHT 220.71

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AUGUST/OCTOBER LEAN HOG SPREAD.
JUNE 2024 LEAN HOGS –
OCTOBER 2024 LEAN HOGS –

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