



ADM Investor
Services, Inc.

Daily Futures Market Commentary Livestock Outlook

FRIDAY MORNING MARCH 12, 2021 LIVESTOCK REPORT

by Chris Lehner, Senior Livestock Analyst | 312.242.7942 | chris.lehner@admis.com

CATTLE

USDA FEDERAL CATTLE SLAUGHTER

MARCH 11, 2021	118,000
WEEK AGO	121,000
YEAR AGO	119,000
WEEK TO DATE (EST)	481,000
SAME PERIOD LAST WEEK (EST)	485,000
SAME PERIOD LAST YEAR (ACT)	491,000

=====

	CHOICE	SELECT
BOXED BEEF FINAL	226.67	220.07
PRIOR DAY	(0.62)	0.25
CHOICE/SELECT SPREAD:	6.60	
TOTAL LOAD COUNT (CUTS, TRIMMINGS, GRINDS):	133	
5 DAY SIMPLE AVERAGE:	230.52	221.86

=====

CME BOXED BEEF INDEX FOR 03/09/2021 WAS AT 229.76 DOWN 1.14 FROM PREVIOUS DAY

=====

FINAL MARCH 11, 2021

PRIMAL RIB	371.11	344.31
PRIMAL CHUCK	187.57	188.38
PRIMAL ROUND	183.36	188.29
PRIMAL LOIN	311.25	288.43
PRIMAL BRISKET	166.39	167.31
PRIMAL SHORT PLATE	139.40	139.40
PRIMAL FLANK	106.60	104.21

ADMIS.com | 312.242.7000 | Chicago | New York | London | Hong Kong | Singapore | Taipei | Shanghai

The information and comments contained herein is provided by ADM Investor Services, Inc. ("ADMIS") and NOT ADM. Futures and options trading involve significant risk of loss and may not be suitable for everyone. Therefore, carefully consider whether such trading is suitable for you in light of your financial condition. This report includes information from sources believed to be reliable and accurate as of the date of this publication, but no independent verification has been made and we do not guarantee its accuracy or completeness. Any reproduction or retransmission of this report without the express written consent of ADM Investor Services, Inc. is strictly prohibited. Again, the information and comments contained herein is provided by ADMIS and in no way should be construed to be information provided by ADM. Copyright © ADM Investor Services, Inc.

FINAL MARCH 10, 2021

PRIMAL RIB	365.35	343.14
PRIMAL CHUCK	192.83	188.73
PRIMAL ROUND	184.13	186.28
PRIMAL LOIN	308.13	288.48
PRIMAL BRISKET	168.63	169.20
PRIMAL SHORT PLATE	140.49	140.49
PRIMAL FLANK	107.45	105.80

=====

LOAD COUNT AND CUTOFF VALUE SUMMARY

Date	Choice	Select	Trim	Grinds	Total	CHOICE 600-900	SELECT 600-900
03/10	81	24	11	17	132	227.29	219.82
03/09	107	16	14	22	158	229.03	223.80
03/08	37	12	13	8	70	231.08	223.13
03/05	67	18	16	11	112	231.33	220.85
03/04	74	20	14	18	127	233.88	221.68
03/03	68	18	20	14	120	233.03	224.24

=====

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.
CURRENT VOLUME - (one load equals 40,000 pounds)

Choice Cuts	83.14 loads	3,325,703 pounds
Select Cuts	13.52 loads	540,919 pounds
Trimming	23.95 loads	958,110 pounds
Ground Beef	12.77 loads	510,793 pounds

USDA BY-PRODUCT DROP VALUE (STEER) FOB CENTRAL U.S.
[HTTPS://WWW.AMS.USDA.GOV/MNREPORTS/NW_LS441.TXT](https://www.ams.usda.gov/mnreports/nw_ls441.txt)

Exports for the period February 26-March 4, 2021 at bottom of report

=====

MARCH 2021 USDA LIVESTOCK REPORTS

CATTLE ON FEED REPORT - MARCH 19, 2021 2:00PM CENTRAL TIME

COLD STORAGE REPORT – MARCH 22, 2021 2:00PM CENTRAL TIME

HOGS AND PIGS REPORT – MARCH 25, 2021 2:00PM CENTRAL TIME

ADMIS.com | 312.242.7000 | Chicago | New York | London | Hong Kong | Singapore | Taipei | Shanghai

The information and comments contained herein is provided by ADM Investor Services, Inc. ("ADMIS") and NOT ADM. Futures and options trading involve significant risk of loss and may not be suitable for everyone. Therefore, carefully consider whether such trading is suitable for you in light of your financial condition. This report includes information from sources believed to be reliable and accurate as of the date of this publication, but no independent verification has been made and we do not guarantee its accuracy or completeness. Any reproduction or retransmission of this report without the express written consent of ADM Investor Services, Inc. is strictly prohibited. Again, the information and comments contained herein is provided by ADMIS and in no way should be construed to be information provided by ADM. Copyright © ADM Investor Services, Inc.

=====

Boxed beef had primal ribs and loins higher Thursday and at the same time Choice Chucks, Rounds and Briskets are priced under Select comparable cuts. Shows there are buyers that can spend money on high end cuts, steaks and roasts and consumers that need to buy cheaper meats. Stimulus checks should help the beef market. Warmer weather and this weekend on Sunday day light savings time begins and it is a time when more cooking is outside.

=====

If feedlots did dump most of the heavy cattle this week and a lot were sold, it will benefit the market. Weights for months have been 10 to 15 pounds heavier than last year and if you took out the cattle that are current and have been current in the Southwest, Midwest cattle and cuts that are way to big really have weighed on cattle prices. Need to see top end cattle in Iowa at 1450, not 1650.

=====

Cattle sold across the US re still heavy in the Midwest. In the Southwest cattle are current with average weights from 1,295 - 1,350 pounds. Nebraska moved a lot of cattle and looks like they were cleaning pens. Either feedlots are finally throwing in the towel after 5 weeks of steady prices without looking like packers will pay more and in some areas packers who have picked and chosen when they would take them, look like this week they decided to kill them. Consumers don't want big roasts and steaks that take up the entire plate and with drop in rib sections and loins it shows. Big primals are good for restaurants but not the home chef that doesn't want to trim and cut meat after buying it at the butcher shop.

=====

By the end of this week, June will be the most actively traded month. It was also evident traders were bull spreading June on out.

=====

As of MARCH 9, 2021 dressed steer and heifer weights were 868.7 compared to previous week at 873.6, down 4.9 pounds from week ago. Compared to a year ago weights are the same. Grading percent was 83.5 % down 2% compared to previous week at 85.5%. Grading percent remains seasonally high but is coming down as heavy weights are finally getting killed..

=====

USDA POSTED NEGOTIATED CATTLE PRICES ON 03/11/2021

**IA/MN – CASH – STEERS 112.00 - 114.00 AVERAGE WEIGHT 1,475.0- 1,575.0
DRESSED 178.00 - 184.00 AVERAGE WEIGHT 889 - 953**

NE – CASH 112.00 - 112.50 AVERAGE WEIGHT 1,517.0 pounds

ADMIS.com | 312.242.7000 | Chicago | New York | London | Hong Kong | Singapore | Taipei | Shanghai

The information and comments contained herein is provided by ADM Investor Services, Inc. ("ADMIS") and NOT ADM. Futures and options trading involve significant risk of loss and may not be suitable for everyone. Therefore, carefully consider whether such trading is suitable for you in light of your financial condition. This report includes information from sources believed to be reliable and accurate as of the date of this publication, but no independent verification has been made and we do not guarantee its accuracy or completeness. Any reproduction or retransmission of this report without the express written consent of ADM Investor Services, Inc. is strictly prohibited. Again, the information and comments contained herein is provided by ADMIS and in no way should be construed to be information provided by ADM. Copyright © ADM Investor Services, Inc.

HEIFERS 112.00 AVERAGE WEIGHT 1,550.0
DRESSED - 180.00

KS – CASH No Reportable Trade
DRESSED No Reportable Trade

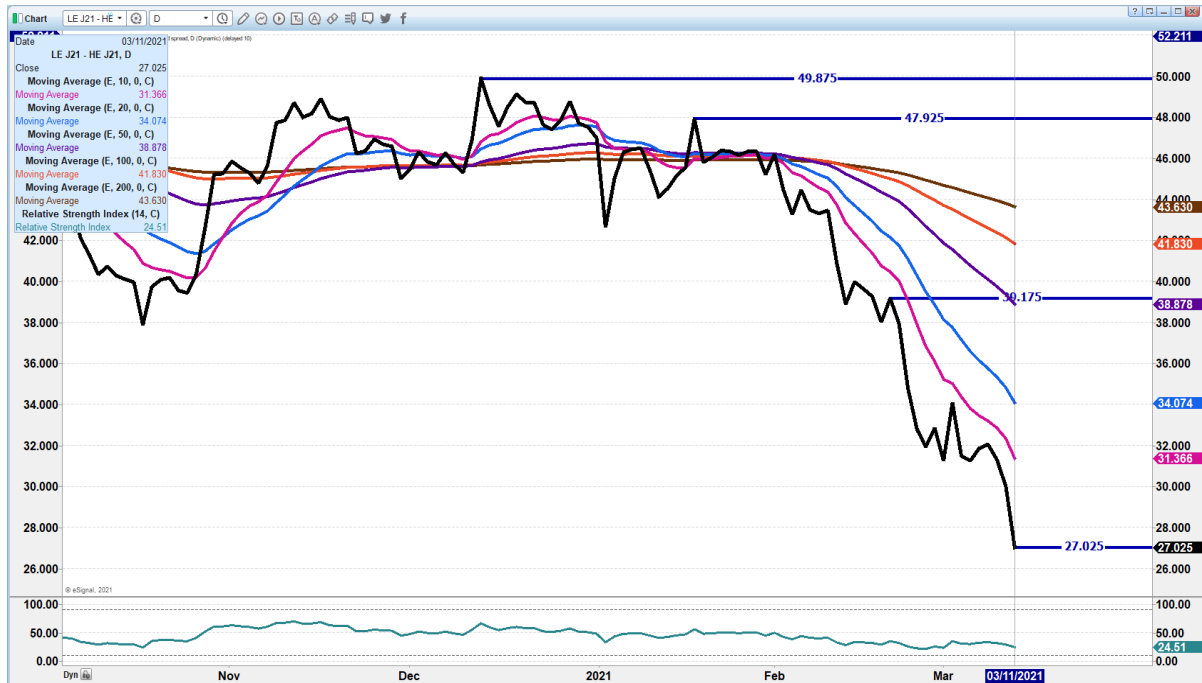
TX/OK/NM – No Reportable Trade
DRESSED No Reportable Trade

CO – No Reportable Trade

=====
***National Daily Direct Cattle 03/11/2021
5 day accumulated weighted avg)

	Weight	Price	Head
Live Steer:	1507	\$113.37	39,302
Live Heifer:	1368	\$113.30	19,647
Dressed Steer:	963	\$179.46	15,068
Dressed Heifer:	870	\$179.71	5,756

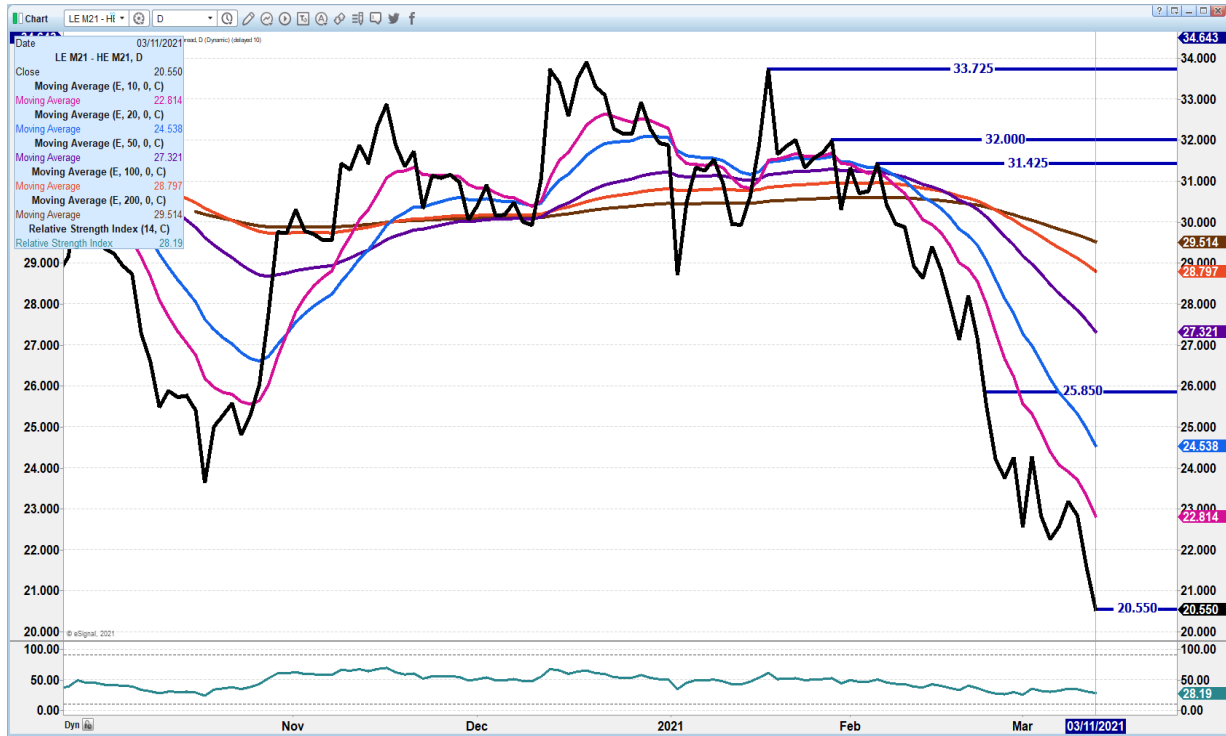
=====
APRIL LIVE CATTLE/APRIL LEAN HOGS - VERY NARROW BUT RSI IS NOT OVERSOLD HOGS
CONTINUE TO GAIN ON CATTLE



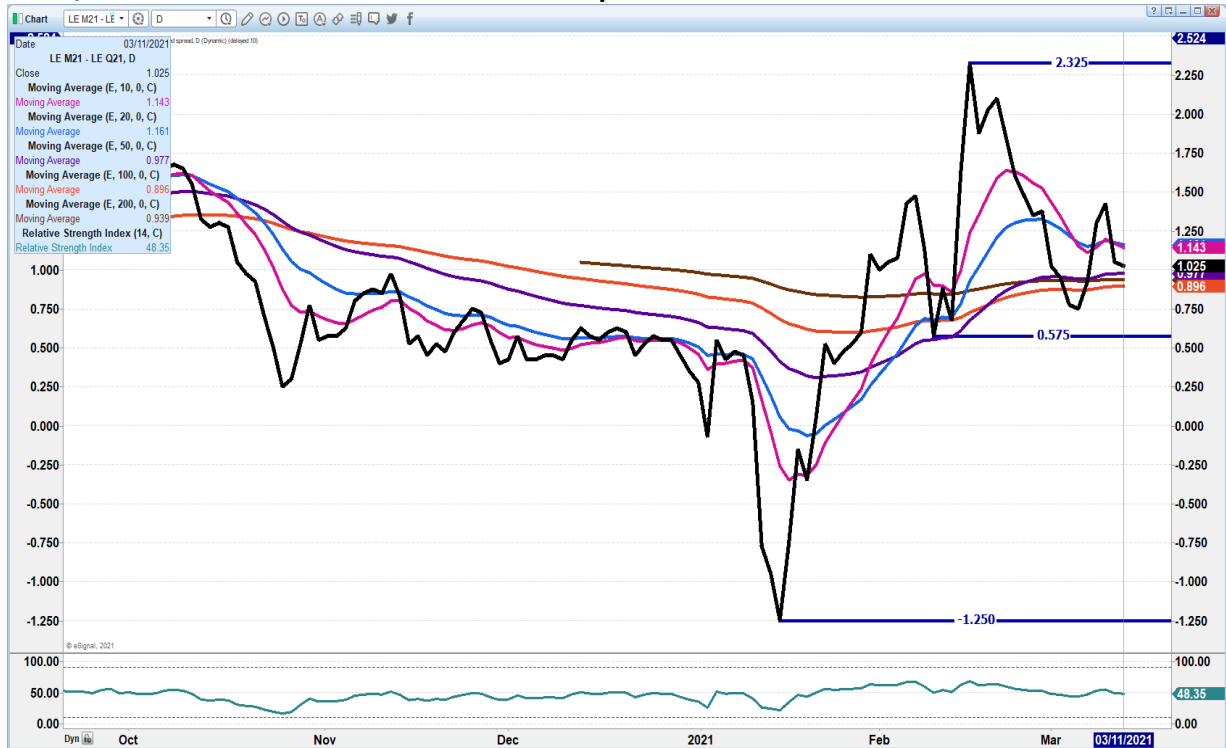
ADMIS.com | 312.242.7000 | Chicago | New York | London | Hong Kong | Singapore | Taipei | Shanghai

The information and comments contained herein is provided by ADM Investor Services, Inc. ("ADMIS") and NOT ADM. Futures and options trading involve significant risk of loss and may not be suitable for everyone. Therefore, carefully consider whether such trading is suitable for you in light of your financial condition. This report includes information from sources believed to be reliable and accurate as of the date of this publication, but no independent verification has been made and we do not guarantee its accuracy or completeness. Any reproduction or retransmission of this report without the express written consent of ADM Investor Services, Inc. is strictly prohibited. Again, the information and comments contained herein is provided by ADMIS and in no way should be construed to be information provided by ADM. Copyright © ADM Investor Services, Inc.

JUNE CATTLE/JUNE HOG SPREAD. – COULD HOGS GO OVER CATTLE? -



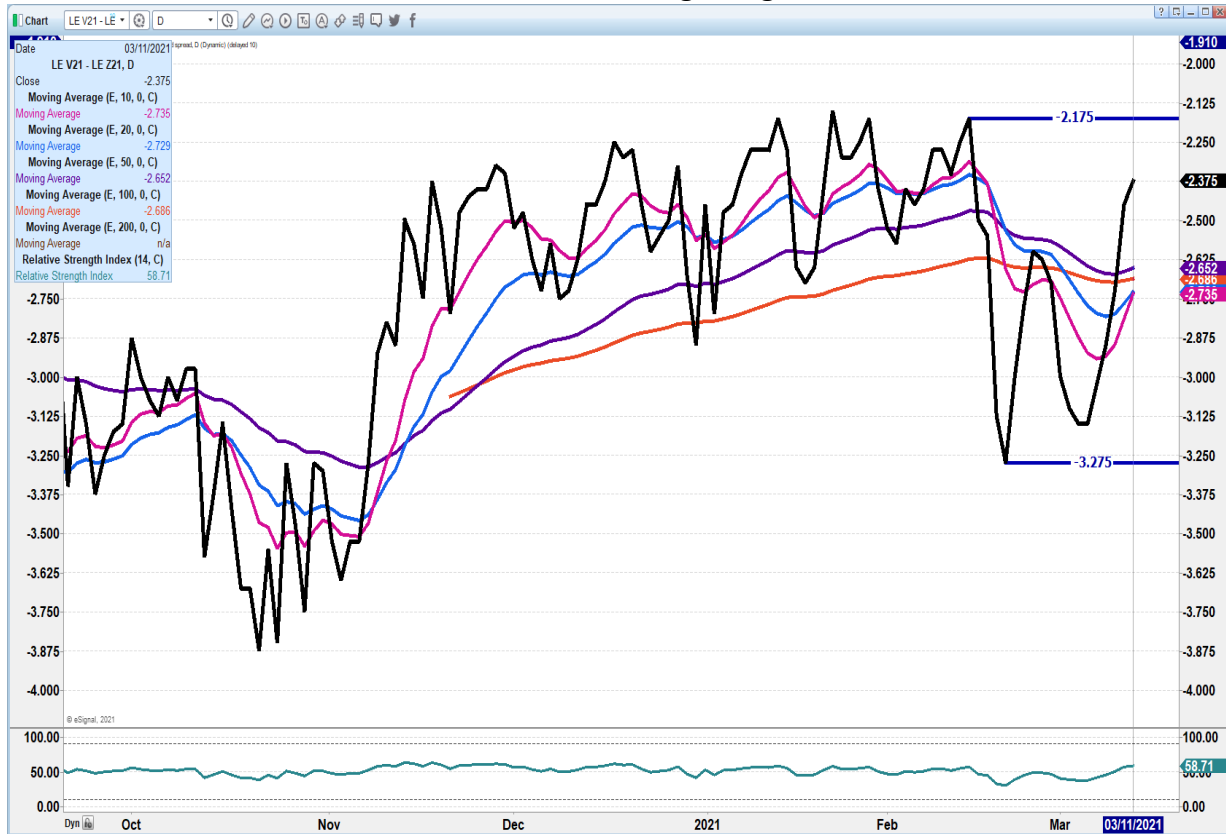
JUNE/AUGUST LIVE CATTLE SPREAD – Bull spread.



ADMIS.com | 312.242.7000 | Chicago | New York | London | Hong Kong | Singapore | Taipei | Shanghai

The information and comments contained herein is provided by ADM Investor Services, Inc. ("ADMIS") and NOT ADM. Futures and options trading involve significant risk of loss and may not be suitable for everyone. Therefore, carefully consider whether such trading is suitable for you in light of your financial condition. This report includes information from sources believed to be reliable and accurate as of the date of this publication, but no independent verification has been made and we do not guarantee its accuracy or completeness. Any reproduction or retransmission of this report without the express written consent of ADM Investor Services, Inc. is strictly prohibited. Again, the information and comments contained herein is provided by ADMIS and in no way should be construed to be information provided by ADM. Copyright © ADM Investor Services, Inc.

OCTOBER/DECEMBER CATTLE SPREAD –October is gaining on December.



Feeder Cattle

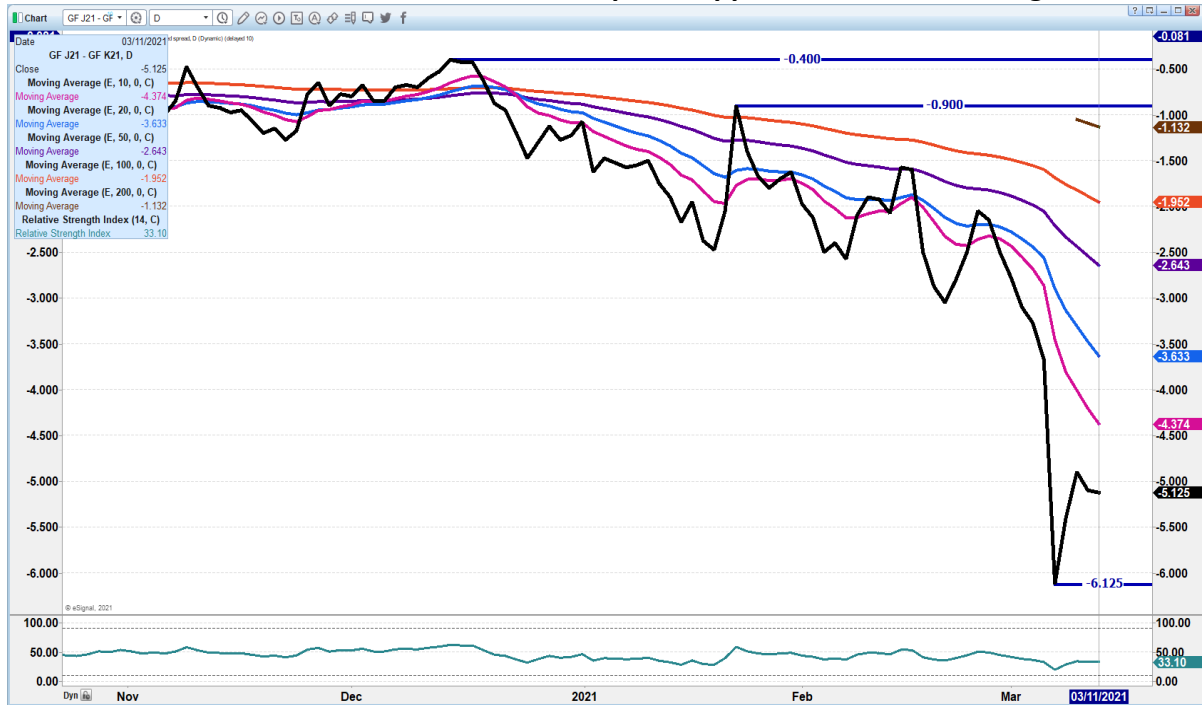
**THE CME FEEDER INDEX ON 03/10/2021 WAS 133.85 DOWN 14 CENTS FROM PREVIOUS DAY
 - UPDATED ON MORNING REPORT
 MARCH 2021 FEEDER CATTLE FUTURES SETTLED ON MARCH 11, 2021 AT \$135.25**

**THE SOUTHWEST NEEDS RAIN. RAINS WILL BE WELCOMED FOR GRAZING CATTLE AND CORN
 RECENTLY PLANTED NEEDS IT.**

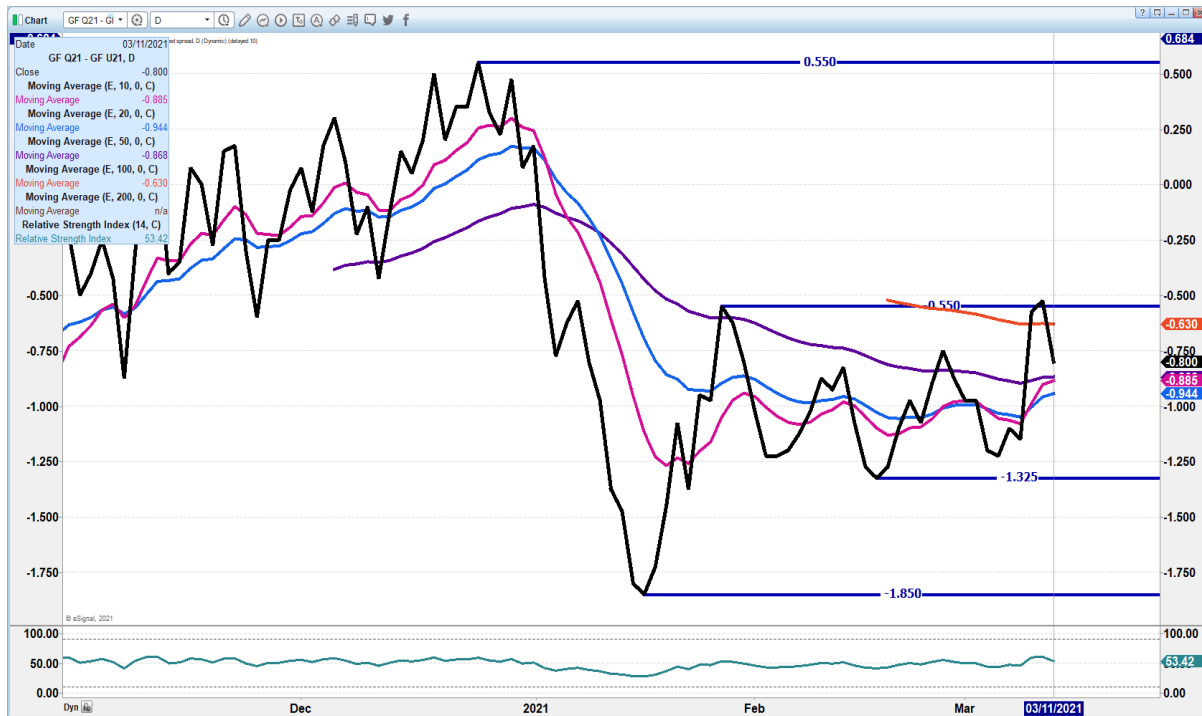
ADMIS.com | 312.242.7000 | Chicago | New York | London | Hong Kong | Singapore | Taipei | Shanghai

The information and comments contained herein is provided by ADM Investor Services, Inc. (“ADMIS”) and NOT ADM. Futures and options trading involve significant risk of loss and may not be suitable for everyone. Therefore, carefully consider whether such trading is suitable for you in light of your financial condition. This report includes information from sources believed to be reliable and accurate as of the date of this publication, but no independent verification has been made and we do not guarantee its accuracy or completeness. Any reproduction or retransmission of this report without the express written consent of ADM Investor Services, Inc. is strictly prohibited. Again, the information and comments contained herein is provided by ADMIS and in no way should be construed to be information provided by ADM. Copyright © ADM Investor Services, Inc.

APRIL/MAY FEEDER CATTLE SPREAD – Bear spread opposite of cattle and hogs.



AUGUST/SEPTEMBER FEEDER CATTLE SPREAD – Spread is narrow Fall and early winter feeders moving together as feedlots price long term contracts and use futures as part of formulas



ADMIS.com | 312.242.7000 | Chicago | New York | London | Hong Kong | Singapore | Taipei | Shanghai

The information and comments contained herein is provided by ADM Investor Services, Inc. (“ADMIS”) and NOT ADM. Futures and options trading involve significant risk of loss and may not be suitable for everyone. Therefore, carefully consider whether such trading is suitable for you in light of your financial condition. This report includes information from sources believed to be reliable and accurate as of the date of this publication, but no independent verification has been made and we do not guarantee its accuracy or completeness. Any reproduction or retransmission of this report without the express written consent of ADM Investor Services, Inc. is strictly prohibited. Again, the information and comments contained herein is provided by ADMIS and in no way should be construed to be information provided by ADM. Copyright © ADM Investor Services, Inc.

LEAN HOGS

USDA ESTIMATED FEDERAL HOG SLAUGHTER

MARCH 11, 2021	496,000
WEEK AGO	495,000
YEAR AGO	495,000
WEEK TO DATE (EST)	1,961,000
SAME PERIOD LAST WEEK (EST)	1,982,000
SAME PERIOD LAST YEAR (ACT)	1,968,000

=====

CME CASH HOG INDEX 03/09/2020 AT 86.76 UP 68 CENTS FROM PREVIOUS DAY

CME CASH PORK CUTOUT INDEX 03/10/2021 AT 95.70 UP 1.13 FROM PREVIOUS DAY

CME CASH FRESH BACON INDEX ON 03/06/2021 WAS 204.40 COMPARED TO 02/26/2021 WAS 203.58

=====

The 5 day carcass average is up 1.23 from Wednesday. Load movement is light at 341 loads showing sellers are filling previously contract orders which is positive. There has been a lot of pork contract in 2020 on low prices and hogs hedged at lower prices. So the small amount sold on the open daily market is whatever the seller can get from the buyer. Pork is competitively cheap on the retail level when compared to even ground beef and chicken.

=====

According to the last US Meat Export Federation data traders actually should be disappointed in what China is buying. Fresh meats China was down 32% for 2021 and Hong Kong was down 53%. They are buying pork, but it is variety meats, and it is good they are taking variety meats, offal, heads and feet because it does tack on \$4.00 to \$5.00/cwt. For variety meats China is up 39% but Hong Kong is down 87%. It sure would be a lot better if China like 2020, was buying carcasses instead of variety meats.

Pork exports no matter who buys above 30,000 metric tonnes is good. Who cares who buys it as long as it is moving. But I would hate to see Mexico and Japan drop out.

=====

Exports to China up at 10,700 may be buying to replace some of what they have auctioned. New storage over the past year likely will keep China buying near the amount they have over 2021. Nothing big.

=====

ADMIS.com | 312.242.7000 | Chicago | New York | London | Hong Kong | Singapore | Taipei | Shanghai

The information and comments contained herein is provided by ADM Investor Services, Inc. ("ADMIS") and NOT ADM. Futures and options trading involve significant risk of loss and may not be suitable for everyone. Therefore, carefully consider whether such trading is suitable for you in light of your financial condition. This report includes information from sources believed to be reliable and accurate as of the date of this publication, but no independent verification has been made and we do not guarantee its accuracy or completeness. Any reproduction or retransmission of this report without the express written consent of ADM Investor Services, Inc. is strictly prohibited. Again, the information and comments contained herein is provided by ADMIS and in no way should be construed to be information provided by ADM. Copyright © ADM Investor Services, Inc.

February shipments from Brazil to China were up over 30% from 2020. In 2020 China bought a record amount of pork. This year even more.

=====

China on March 10th auctioned 10,000 metric tonnes of pork from storage. They auctioned pork before the Lunar New Year as they did this year and throughout the year they auction to refresh older pork or to keep pork prices down. I am sure this year most analysts will want to believe it is due to the outbreaks of ASF. If they refill from exported sources, they do buy from 5 countries from the EU and the US. Also, they do not release prices from the auction.

=====

USDA MARKET NEWS

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

NATIONAL DAILY PORK REPORT FOB PLANT - NEGOTIATED SALES

MARCH 10, 2021

LOADS OF PORK CUTS: 302.69

LOADS TRIM/PROCESSED PORK: 38.40

FINAL

Date	Loads	Carcass	Loin	Butt	Pic	Rib	Ham	Belly
03/11/2021	341.10	99.69	88.14	99.41	67.23	158.44	82.66	171.78
Change		2.02	2.39	1.74	-2.57	3.00	4.49	2.70
Five Day Average --		96.85	84.85	94.64	64.97	154.71	80.50	168.26

FINAL

Date	Loads	Carcass	Loin	Butt	Pic	Rib	Ham	Belly
03/10/2021	297.36	97.67	85.75	97.67	69.80	155.44	78.17	169.08
Change		0.83	1.60	3.39	3.78	0.22	-2.34	0.36
Five Day Average --		95.62	83.75	92.45	64.62	152.80	80.20	165.31

=====

https://www.ams.usda.gov/mnreports/ams_2511.pdf

NATIONAL DAILY DIRECT HOG PRIOR DAY REPORT - SLAUGHTERED SWINE

Slaughter Data for March 9, 2021

Average live weight 284.29

Average carcass - 213.46

=====

ADMIS.com | 312.242.7000 | Chicago | New York | London | Hong Kong | Singapore | Taipei | Shanghai

The information and comments contained herein is provided by ADM Investor Services, Inc. ("ADMIS") and NOT ADM. Futures and options trading involve significant risk of loss and may not be suitable for everyone. Therefore, carefully consider whether such trading is suitable for you in light of your financial condition. This report includes information from sources believed to be reliable and accurate as of the date of this publication, but no independent verification has been made and we do not guarantee its accuracy or completeness. Any reproduction or retransmission of this report without the express written consent of ADM Investor Services, Inc. is strictly prohibited. Again, the information and comments contained herein is provided by ADMIS and in no way should be construed to be information provided by ADM. Copyright © ADM Investor Services, Inc.

A User's Guide to USDA's LMR Hog Price Reports

<https://www.ams.usda.gov/sites/default/files/media/LMRSwineReportingHandout.pdf>

DAILY DIRECT AFTERNOON HOG REPORT MARCH 10, 2021

National Negotiated Carcass Price

Lowest price: 79.00

Highest price: 89.00

Weighted Average Price: 86.05

Head Count: 7,205

On a National basis, compared to the previous day's weighted average, 0.40 lower

Other Market Formula (Carcass)

Lowest base price: 57.56

Highest base price: 96.52

Weighted Average Price: 80.30

Head Count: 39,393

Swine/Pork Market Formula (Carcass)

Lowest base price: 74.57

Highest base price: 93.24

Weighted Average Price: 87.18

Head Count: 157,879

Other Purchase Arrangement (Carcass)

Lowest base price: 67.36

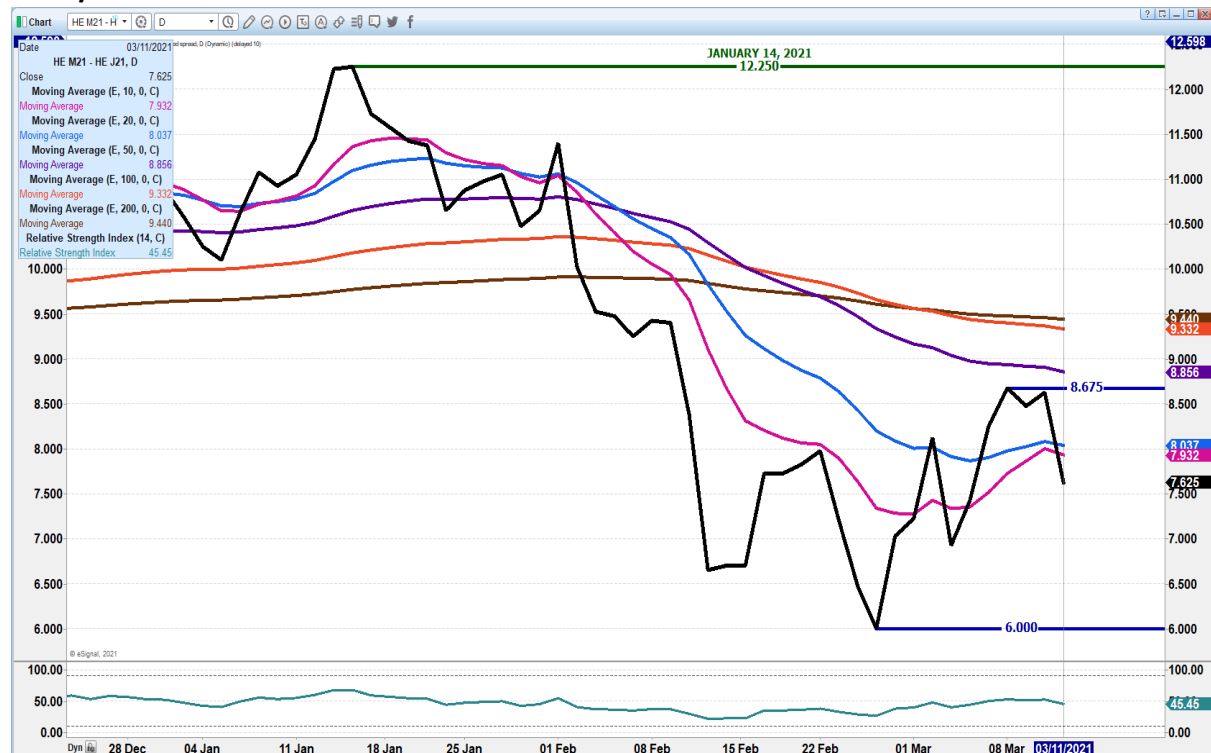
Highest base price: 99.86

Weighted Average Price: 86.60

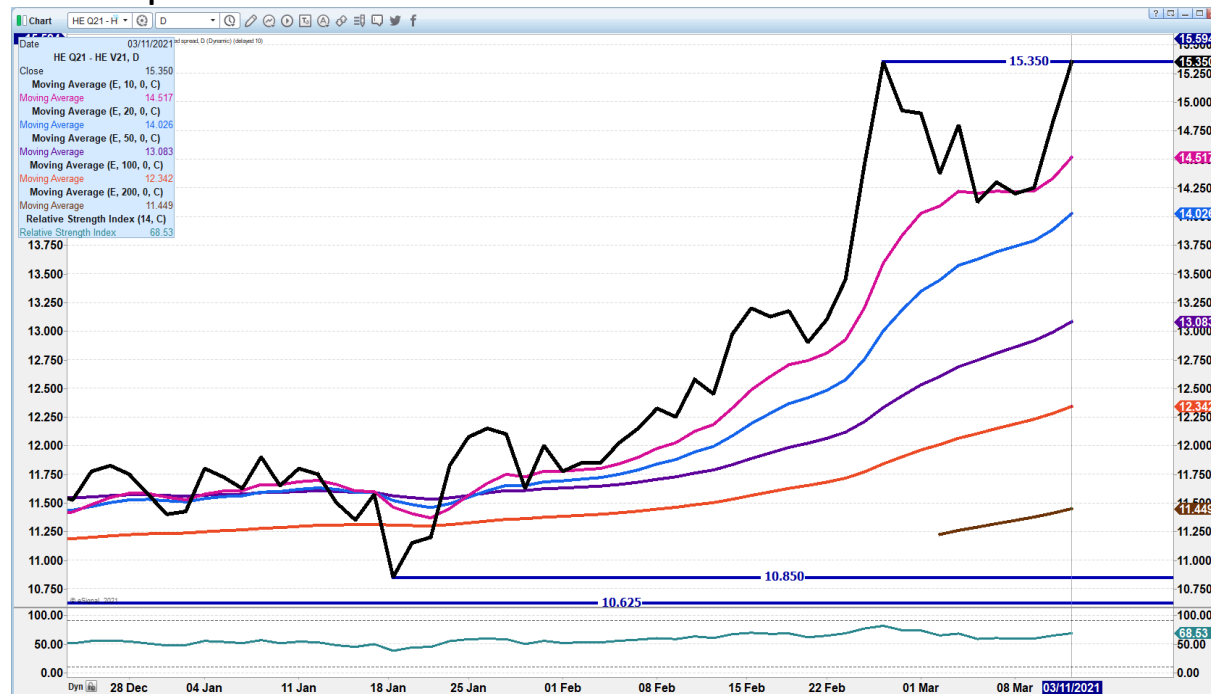
Head Count: 47,567

=====

JUNE/APRIL LEAN HOG SPREAD – Narrower than normal



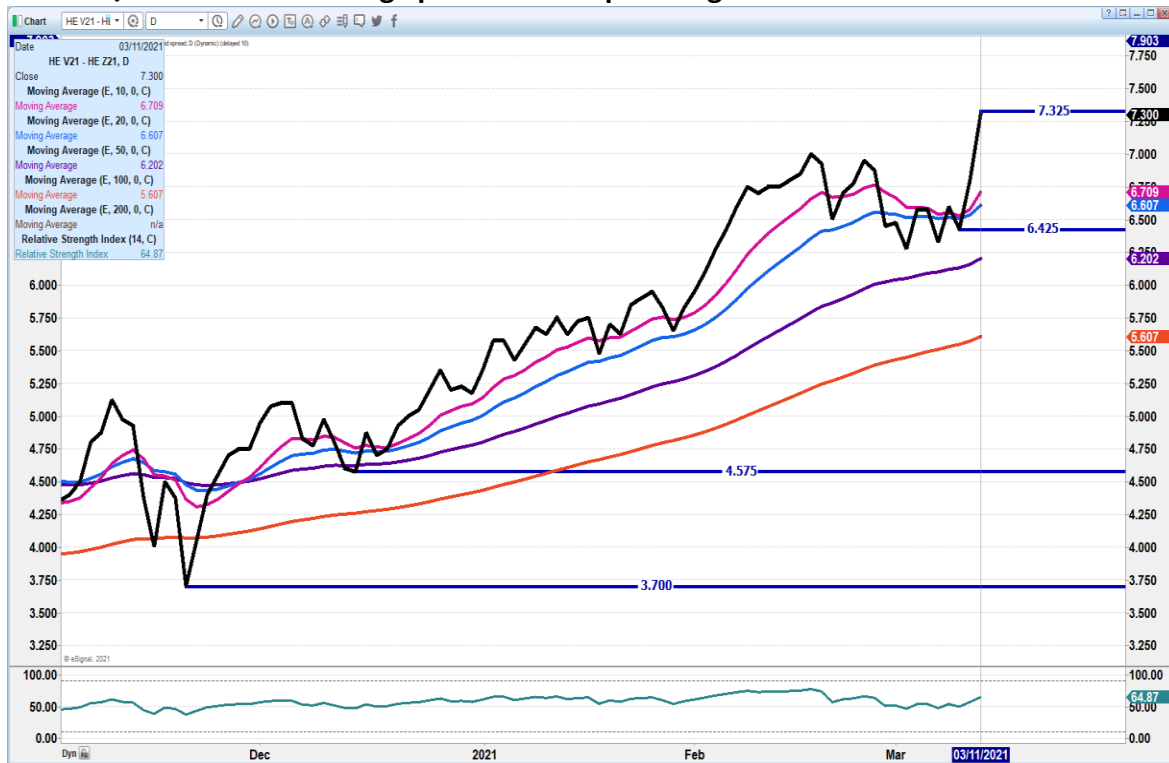
AUGUST/OCTOBER 2021 LEAN HOG SPREAD – Very wide and this spread can go more as it has in the past



ADMIS.com | 312.242.7000 | Chicago | New York | London | Hong Kong | Singapore | Taipei | Shanghai

The information and comments contained herein is provided by ADM Investor Services, Inc. (“ADMIS”) and NOT ADM. Futures and options trading involve significant risk of loss and may not be suitable for everyone. Therefore, carefully consider whether such trading is suitable for you in light of your financial condition. This report includes information from sources believed to be reliable and accurate as of the date of this publication, but no independent verification has been made and we do not guarantee its accuracy or completeness. Any reproduction or retransmission of this report without the express written consent of ADM Investor Services, Inc. is strictly prohibited. Again, the information and comments contained herein is provided by ADMIS and in no way should be construed to be information provided by ADM. Copyright © ADM Investor Services, Inc.

October/December Lean Hog Spread - Bull spreading.



Beef: Net sales of 20,900 MT reported for 2021 were down 8 percent from the previous week, but up 17 percent from the prior 4-week average. Increases were primarily for South Korea (6,600 MT, including decreases of 400 MT), Japan (5,900 MT, including decreases of 800 MT), Mexico (2,100 MT), China (1,800 MT, including decreases of 100 MT), and Taiwan (1,800 MT, including decreases of 100 MT). Exports of 17,800 MT were down 9 percent from the previous week, but up 5 percent from the prior 4-week average. The destinations were primarily to South Korea (5,500 MT), Japan (4,700 MT), China (2,700 MT), Mexico (1,200 MT), and Taiwan (900 MT).

Pork: Net sales of 32,400 MT reported for 2021 were down 46 percent from the previous week and 17 percent from the prior 4-week average. Increases primarily for China (10,700 MT, including decreases of 1,000 MT), Mexico (6,900 MT, including decreases of 500 MT), Japan (3,100 MT, including decreases of 200 MT), South Korea (2,900 MT, including decreases of 700 MT), and Canada (2,800 MT, including decreases of 400 MT), were offset by reductions primarily for Guatemala (400 MT). Exports of 39,300 MT were down 2 percent from the previous week, but up 3 percent from the prior 4-week average. The destinations were primarily to China (11,900 MT), Mexico (10,000 MT), Japan (4,800 MT), South Korea (3,300 MT), and the Philippines (2,000 MT).

=====

CHARTS FROM ESIGNAL INTERACTIVE, INC.

ADMIS.com | 312.242.7000 | Chicago | New York | London | Hong Kong | Singapore | Taipei | Shanghai

The information and comments contained herein is provided by ADM Investor Services, Inc. ("ADMIS") and NOT ADM. Futures and options trading involve significant risk of loss and may not be suitable for everyone. Therefore, carefully consider whether such trading is suitable for you in light of your financial condition. This report includes information from sources believed to be reliable and accurate as of the date of this publication, but no independent verification has been made and we do not guarantee its accuracy or completeness. Any reproduction or retransmission of this report without the express written consent of ADM Investor Services, Inc. is strictly prohibited. Again, the information and comments contained herein is provided by ADMIS and in no way should be construed to be information provided by ADM. Copyright © ADM Investor Services, Inc.