



ADM Investor
Services, Inc.

Daily Futures Market Commentary Livestock Outlook

THURSDAY MORNING JUNE 2, 2022 LIVESTOCK REPORT

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

CATTLE

USDA FEDERAL CATTLE SLAUGHTER

JUNE 1, 2022	125,000
WEEK AGO	125,000
YEAR AGO	108,000
WEEK TO DATE (EST)	254,000
SAME PERIOD LAST WEEK (EST)	375,000
SAME PERIOD LAST YEAR (ACT)	206,000

BOXED BEEF 2:00PM	CHOICE	SELECT
CURRENT CUTOUT VALUES:	267.42	248.91
CHANGE FROM PRIOR DAY:	(0.12)	0.26
CHOICE/SELECT SPREAD:	18.51	
TOTAL LOAD COUNT (CUTS, TRIMMINGS, GRINDS)	146	
5 DAY SIMPLE AVERAGE:	264.70	245.80

CME BOXED BEEF INDEX ON 05/31/2021 WAS 260.29 UP 1.10 FROM PREVIOUS DAY

2:00PM JUNE 01, 2022

PRIMAL RIB	405.57	350.56
PRIMAL CHUCK	213.78	209.75
PRIMAL ROUND	212.93	211.90
PRIMAL LOIN	377.57	329.75
PRIMAL BRISKET	215.50	204.79

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.

PRIMAL SHORT PLATE	197.94	197.94
PRIMAL FLANK	159.49	155.96

11:00PM JUNE 1, 2022

PRIMAL RIB	404.58	350.60
PRIMAL CHUCK	215.05	211.54
PRIMAL ROUND	213.20	211.29
PRIMAL LOIN	376.54	330.20
PRIMAL BRISKET	214.72	209.47
PRIMAL SHORT PLATE	195.84	195.84
PRIMAL FLANK	158.63	155.26

2:00PM MAY 31, 2022

PRIMAL RIB	405.68	348.47
PRIMAL CHUCK	214.67	210.59
PRIMAL ROUND	212.90	210.75
PRIMAL LOIN	376.64	329.27
PRIMAL BRISKET	214.09	206.38
PRIMAL SHORT PLATE	199.71	199.71
PRIMAL FLANK	159.24	152.57

=====

LOAD COUNT AND CUTOUT VALUE SUMMARY

Date	Choice	Select	Trim	Grinds	Total	600-900	600-900
05/31	95	33	9	7	144	267.54	248.65
05/27	48	16	8	34	106	265.42	246.50
05/26	75	20	13	27	134	263.97	244.43
05/25	64	20	7	11	102	262.93	244.06
05/24	92	31	9	32	165	263.65	245.35

=====

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

Choice Cuts	90.30 loads	3,611,923 pounds
Select Cuts	36.47 loads	1,458,647 pounds
Trimings	5.25 loads	209,806 pounds
Ground Beef	14.01 loads	560,595 pounds

=====

It is too early to tell if Live Cattle are going to move higher starting out a new month or was Wednesday when speculators took in shorts after moving futures down Tuesday wiping out the entire move higher back to October 2021. It took from October 22, 2021 from a closing price of \$130.65 for August 2022 Live Cattle to the high closing price of \$141.57 on April 21, 2022 but in less than 6 weeks to lose the entire gain.

Volume on Tuesday was 36, 823 contracts. Wednesday's volume was about the same with total volume at 36,780.

As reported Tuesday:

Traders are expecting more cattle over the next two to three months. Some reporters make out the increase to be a flood a cattle. Last week's slaughter on a short week was 644,000 which was good and the week before at 680,000 surprised a lot of traders. Along with the bigger slaughter packers were able to lower cash cattle prices and futures for June are presently below cash. Fundamental traders look at pros and cons and currently the cons outweigh the pros.

But can a packer keep buying cattle as weights drop even if they buy at lower prices?

There are several areas now where packers are buying cattle but not taking delivery for 4 weeks so cattle gain weight. When that happens, the feedlot is nothing more than a short term contract feedlot but they are paid for weight gain.

Another way a packer can buy heavier cattle is to insist cattle weigh more. A packer won't offer any price for lighter cattle. They slow kill and take only contracted and their own cattle. They will pay premiums for cattle they need and not answer the phone when a feedlot calls with lighter low yielding cattle.

It is possible cattle are near that point. Traders were bull spreading Wednesday.

=====

As of May 24, 2022 dressed steer and heifer carcasses averaged 860.1 pounds compared to previous week at 859.5pounds, up .6 pound . The grading percent was 81.6% compared to previous week at 80.8%.

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

=====

***NATIONAL DAILY DIRECT CATTLE 06/01/22

5 DAY ACCUMULATED WEIGHTED AVG

	WEIGHT	PRICE	HEAD
LIVE STEER:	1412	\$138.68	30,602
LIVE HEIFER:	1268	\$137.67	13,363
DRESSED STEER:	912	\$224.14	10,816

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.

DRESSED HEIFER: 818 \$223.05 5,370

=====

USDA POSTED SUMMARY CATTLE PRICES ON 06/01/2021

IA/MN – CASH – 138.00 - 141.00 WEIGHT 1,391.7
DRESSED - 219.00 - 222.00

NE – CASH - 138.00 LIGHT MOVEMENT ON CASH SALES 117 HEAD
DRESSED – 222.00 - 222.50

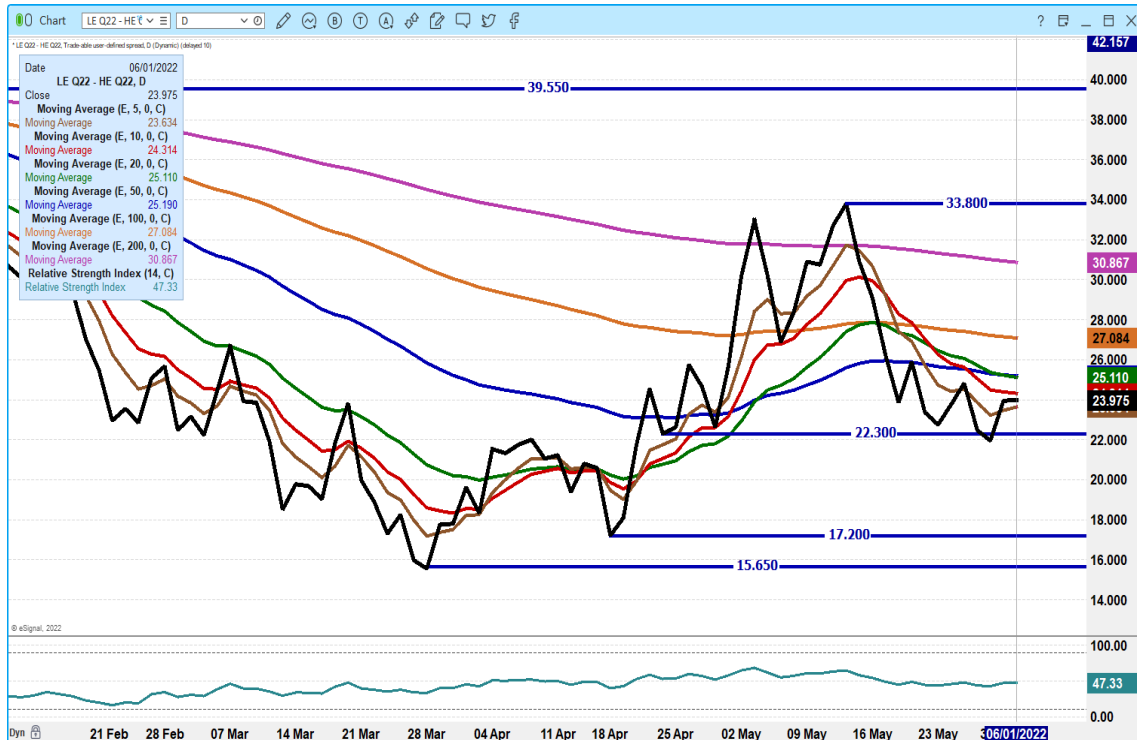
KS – CASH - 135.00 - 136.00
DRESSED– NO REPORTABLE TRADE.

TX/OK/NM CASH - 135.00 ON ALL GRADES
DRESSED– NO REPORTABLE TRADE.

CO – CASH – NOT REPORTED DUE TO CONFIDENTIALITY

=====

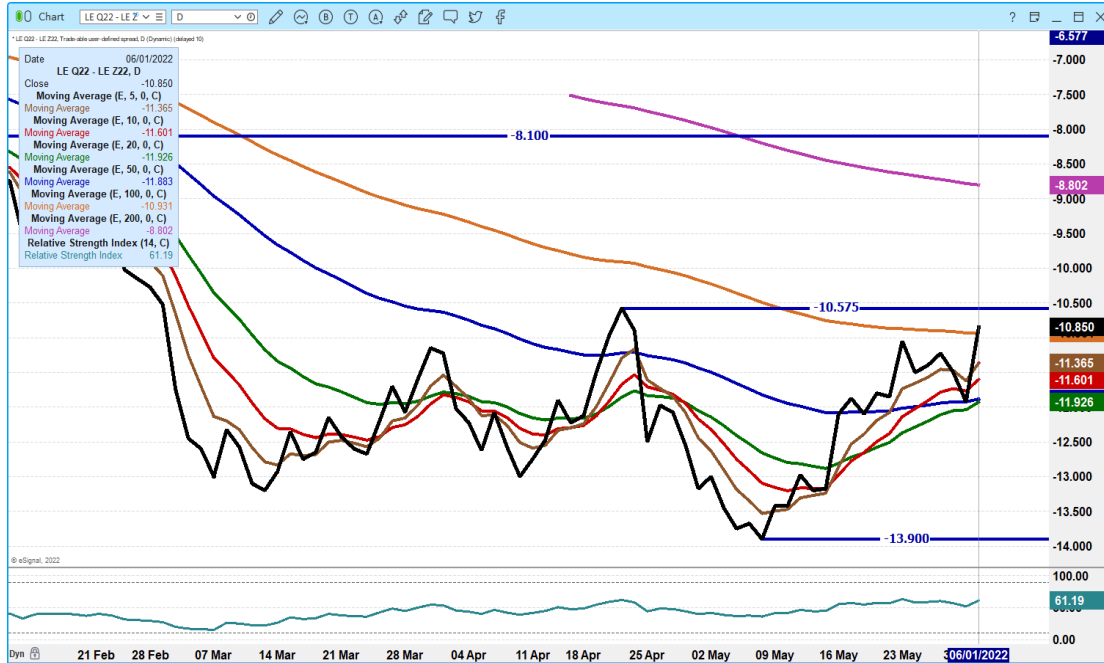
AUGUST LIVE CATTLE/AUGUST LEAN HOG SPREAD – SPREAD NOT MOVING BOTH BEEF AND PORK MOVING UP OVER PAST TWO WEEKS.



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.

AUGUST/DECEMBER LIVE CATTLE SPREAD – TRADE FEELS AUGUST IS TOO CHEAP.



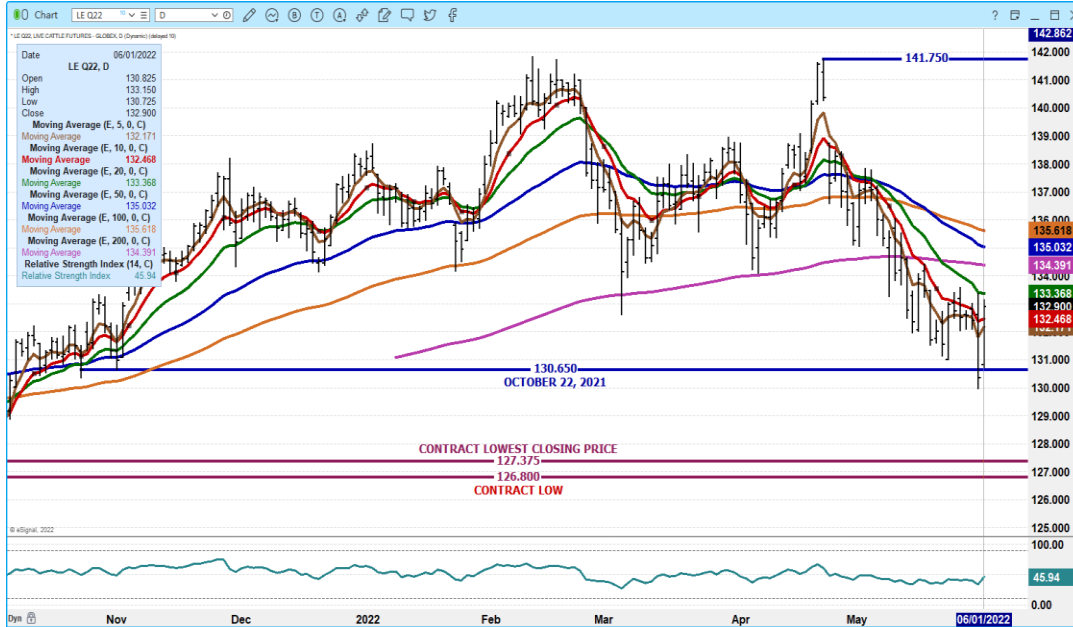
JUNE 2022 LIVE CATTLE – A CLOSE OVER 132.75 IS NEEDED TO MOVE HIGHER. NEXT RESISTANCE AT 134.45 SUPPORT AT 130.97 TO 127.87



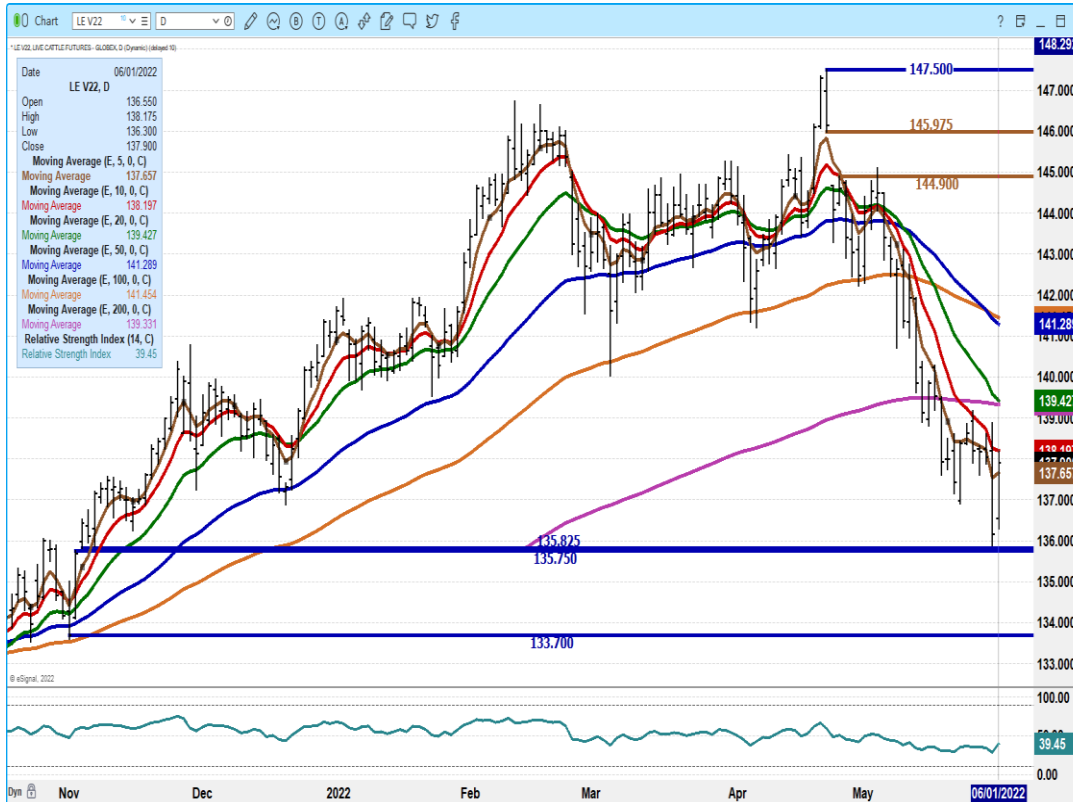
ADMIS.com | 312.242.7000 | Chicago | New York | London | Hong Kong | Singapore | Taipei | Shanghai

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.

AUGUST 2022 LIVE CATTLE – LITTLE DIFFERENCE IN VOLUME FROM TUESDAY VOLUME AT 36,780 RESISTANCE AT 133.37 TO 134.40 SUPPORT AT 130.65 TO 127.37



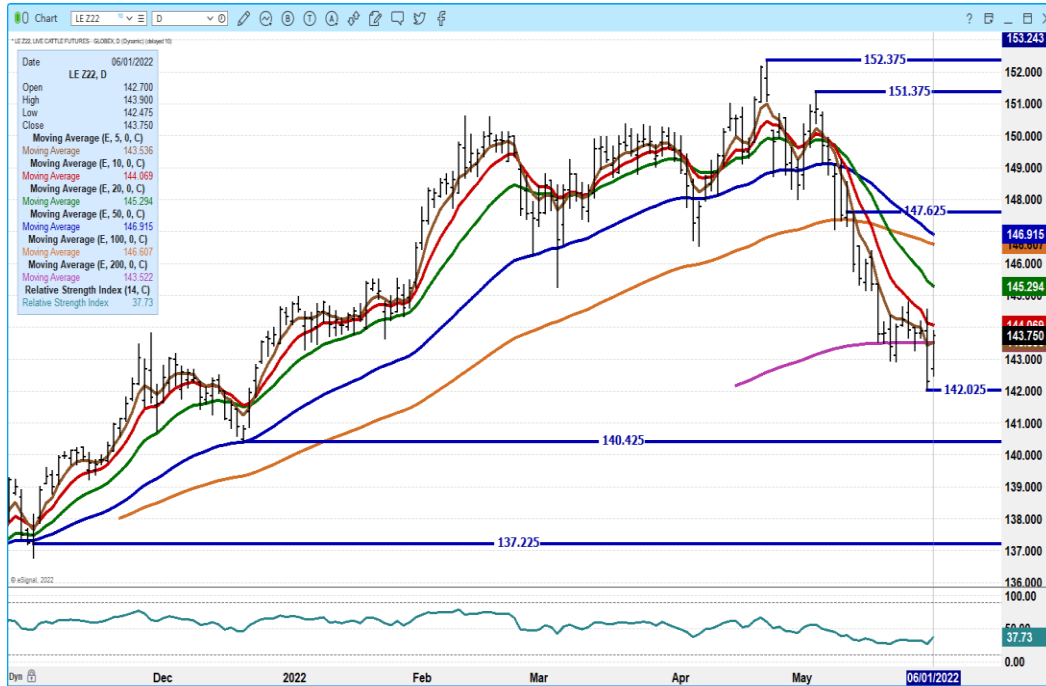
OCTOBER 2022 LIVE CATTLE - SUPPORT AT 135.75 RESISTANCE AT 139.45 VOLUME AT 15,051



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.

DECEMBER 2022 LIVE CATTLE – VOLUME AT 8943 RESISTANCE AT 144.10 SUPPORT AT 142.02



Feeder Cattle

CME FEEDER INDEX ON 05/31/2022 WAS 153.36 UP 14 CENTS FROM PREVIOUS DAY –

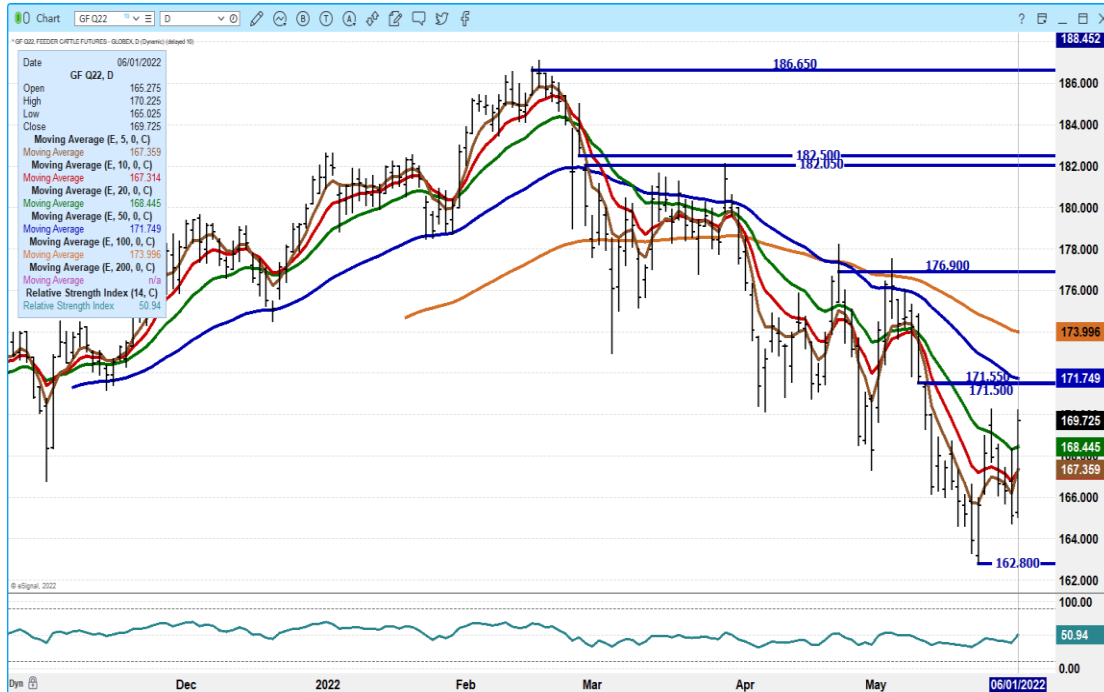
AUGUST 2022 FEEDER CATTLE SETTLED ON JUNE 1, 2022 AT \$169.72

THE CME INDEX OVER THE NEXT 2 MONTHS, JUNE AND JULY AND THROUGH TO THE SECONDS WEEK OF AUGUST IS NOT GOING TO BE MUCH HELP. IT MAY INDICATE DIRECTION BUT THEN AGAIN, CASH COULD MOVE THE INDEX COULD MOVE THE OPPOSITE WAY. CORN AND WHEAT ARE MOVING LOWER. IT MAY ENCOURAGE A FEW SMALL FEEDLOTS TO FEED CATTLE THAT WERE THINKING OF SELLING GRAIN.

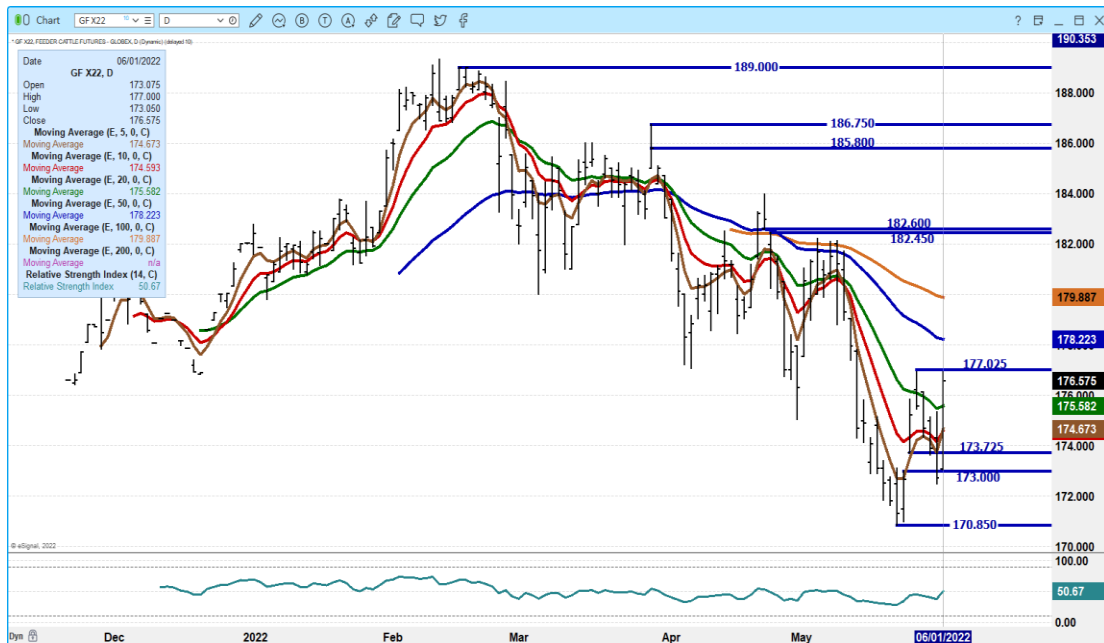
ADMIS.com | 312.242.7000 | Chicago | New York | London | Hong Kong | Singapore | Taipei | Shanghai

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.

AUGUST 2022 FEEDER CATTLE – STRONG TRADING HIGHER WEDNESDAY BACK TO HIGH OF MAY 25TH NEXT RESISTANCE AT 171.55 SUPPORT AT 162.80



NOVEMBER 2022 FEEDER CATTLE – Needs to take out May 25th high at 177.02 Support at 173.00 to 170.85



=====

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

JUNE 1, 2022	477,000
WEEK AGO	472,000
YEAR AGO	446,000
WEEK TO DATE (EST)	946,000
SAME PERIOD LAST WEEK (EST)	1,409,000
SAME PERIOD LAST YEAR (ACT)	846,000

****REVISED TUESDAY HOG SLAUGHTER..467,000 PREVIOUS ESTIMATE 480,000**

=====

CME CASH LEAN HOG INDEX 05/30/2022 AT 105.15 UP 22 CENTS FROM PREVIOUS DAY

CME PORK CUTOUT INDEX 05/31/2022 AT 107.47 DOWN 15 CENTS FROM PREVIOUS DAY –

CME CASH FRESH BACON INDEX ON MAY 27, 2022 WAS 210.52 COMPARED TO MAY 20, 2022 AT 195.12

THE CME LEAN HOG INDEX IS MINUS \$2.32 TO THE CME PORK INDEX

=====

HOGS MOVING FASTER TO THE UPSIDE VERSUS PORK IS NEGATIVE FOR THE PACKER.

=====

PEOPLE ARE EATING MORE PORK. COMPARED TO BEEF IT IS CHEAP. COMPARED TO CHICKEN IT IS COMPETITIVE. AT THE BEGINNING OF THE YEAR GROUND PORK PRODUCTS WERE UP 20% FROM A YEAR AGO. LOINS ARE COMPETING AT RETAIL SHELVES TO HIGH END BEEF CUTS AND IT IS MUCH CHEAPER. THE USDA ESTIMATES PORK CONSUMPTION TO BE 1 MORE POUND PER PERSON IN 2022 ESSENTIALLY GAINING ON LOSSES FROM BEEF.

=====

PORK NET SALES LAST WEEK WERE AT 36,700MT. THE PESO IS STRONG. FOR PORK EXPORTS, IT WOULD HELP TO SEE THE PESO STAY UP AND THE US DOLLAR WEAKEN.

=====

PACKERS AREN'T ABLE TO FULLY UTILIZE THEIR PLANTS WHEN SLAUGHTER ISN'T AT OR NEAR CAPACITY. IT ALSO MEANS PACKERS NEED TO BE AND ARE MORE COMPETITIVE FOR HOGS ON THE CASH MARKET. PACKERS NEED HOGS AND IT IS EVIDENT ON HOW PACKERS ARE PAYING FOR CASH HOGS. THE HOGS THAT SELL ON THE NEGOTIATED CASH MARKET ARE BEING PRICED MORE THAN \$10 OVER FORMULA HOGS. THIS IS UNUSUAL.

=====

DAILY PORK REPORT 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

JUNE 01 2022 2:00PM

LOADS OF PORK CUTS: 266.14

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.

TRIM/PROCESSED PORK: 27.23

2:00PM	LOADS	CARCASS	LOIN	BUTT	PIC	RIB	HAM	BELLY
06/01/2022	293.37	110.02	103.39	119.23	72.03	192.90	92.72	172.53
CHANGE:		2.31	-2.16	1.27	1.60	-5.33	2.24	13.98
FIVE DAY AVERAGE --		107.82	102.74	116.35	69.10	196.00	91.13	164.49

11:00AM	LOADS	CARCASS	LOIN	BUTT	PIC	RIB	HAM	BELLY
06/01/2022	148.38	109.37	103.37	119.00	72.58	191.78	94.44	166.13
CHANGE:		1.66	-2.18	1.04	2.15	-6.45	3.96	7.58
FIVE DAY AVERAGE --		107.69	102.74	116.31	69.21	195.78	91.48	163.21

2:00PM	LOADS	CARCASS	LOIN	BUTT	PIC	RIB	HAM	BELLY
05/26/2022	342.21	107.71	105.55	117.96	70.43	198.23	90.48	158.55
CHANGE:		1.55	7.46	4.09	3.54	-1.42	-5.78	2.79
FIVE DAY AVERAGE --		107.46	101.95	115.65	68.15	198.17	90.53	164.87

**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 FOR MAY 31, 2022

AVERAGE LIVE WEIGHT 282.98

AVERAGE CARCASS 212.65

DAILY DIRECT AFTERNOON HOG REPORT - PLANT DELIVERED PURCHASE

JUNE 01, 2022

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

National Negotiated Carcass Price

Lowest price: 100.00

Highest price: 119.50

Weighted Average 115.68

Change from Previous Day 4.10 HIGHER

Head Count: 20,243

Other Market Formula (Carcass)

Lowest Base Price: 79.84

Highest base price: 119.00

Weighted Average Price: 98.00

Head Count: 34,594

Pork Market Formula (Carcass)

Lowest base price: 86.17

Highest Base Price: 117.77

Weighted Average Price 117.99

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.

Head Count: 147,431

Other Purchase Arrangement (Carcass)

Lowest base price: 82.18

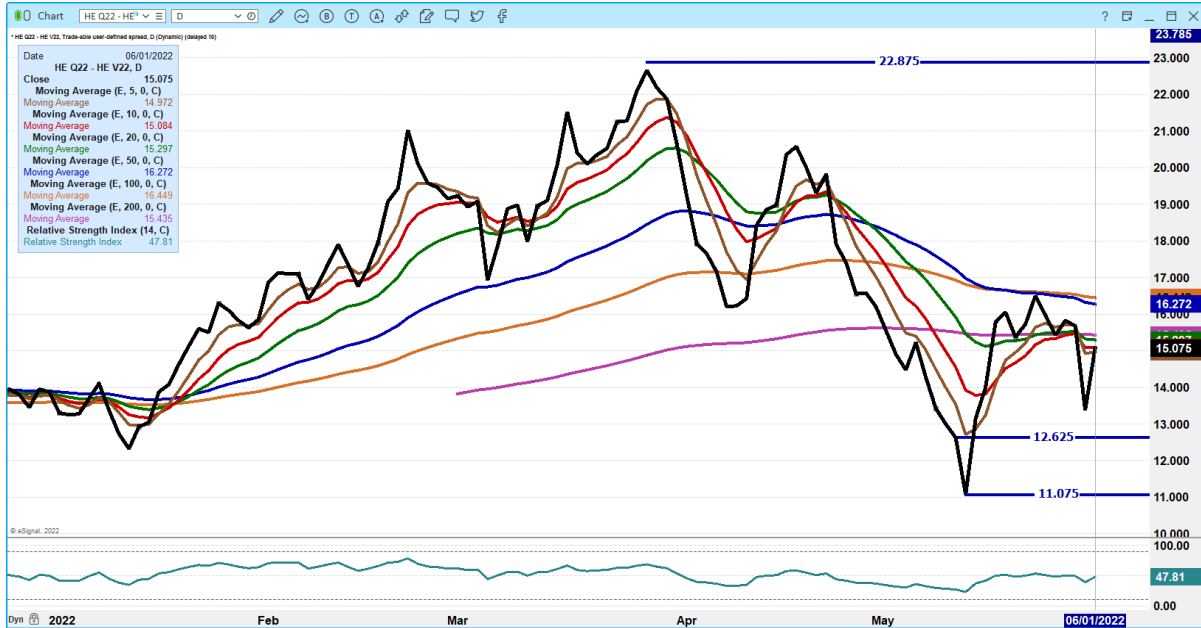
Highest base price: 113.09

Weighted Average Price: 100.64

HEAD COUNT: 67,138

=====

AUGUST/OCTOBER LEAN HOG SPREAD – SPREAD IS WIDE NEXT MOVE GIVES INDICATOR HOW TRADE IS LOOKING INTO END OF YEAR NO TRADING ON IT NOW



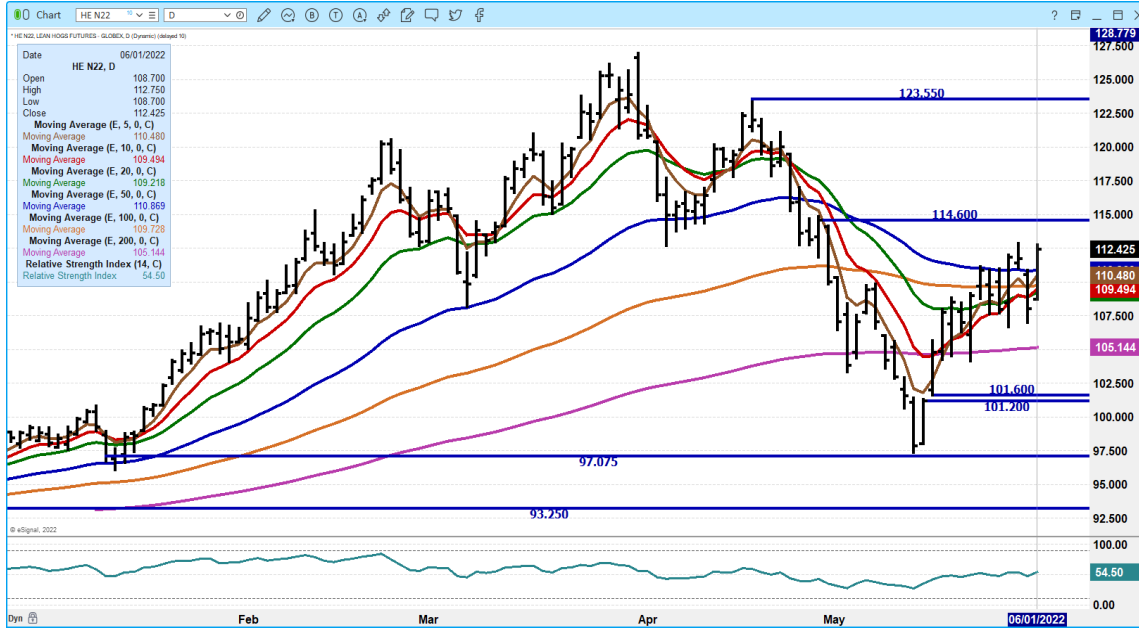
JUNE 2021 LEAN HOGS – RESISTANCE AT 111.60 TO 114.02 SUPPORT AT 106.50 TO 104.90 VOLUME AT 6616 OPEN INTEREST AT 17084



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.

JULY 2022 LEAN HOGS – VOLUME AT 20459 RESISTANCE AT 112.85 TO 114.60 SUPPORT AT 109.50 TO 105.15



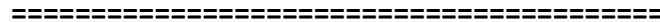
OCTOBER LEAN HOGS – RESISTANCE AT 96.00 SUPPORT AT 93.00 TO 92.00 VOLUME AT 7241



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.

**DECEMBER 2022 LEAN HOGS – VOLUME AT 5,172 MOVED TO RESISTANCE AT 81.32
SUPPORT AT 85.82**



CHARTS FROM ESIGNAL INTERACTIVE, INC.

Christopher Lehner chris.lehner@admis.com

312 242 7942 913.787.6804

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.