



ADM Investor
Services, Inc.

Daily Futures Market Commentary Livestock Outlook

TUESDAY MORNING AUGUST 01, 2023 LIVESTOCK REPORT

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

CATTLE

JULY 31, 2023	124,000
WEEK AGO	122,000
YEAR AGO	122,000

=====

2:00 PM JULY 31, 2023

BOXED BEEF	CHOICE	SELECT
CURRENT CUTOUT VALUES:	301.78	277.73
CHANGE FROM PRIOR DAY:	(0.22)	0.19
CHOICE/SELECT SPREAD:		24.05
TOTAL LOAD COUNT (CUTS, TRIMMINGS, GRINDS)		86
5 DAY SIMPLE AVERAGE:	303.32	278.33

CME BOXED BEEF INDEX ON 07/28/2023 WAS 296.26 UP 17 CENTS FROM PREVIOUS DAY

=====

2:00 PM JULY 31, 2023

PRIMAL RIB	449.01	370.79
PRIMAL CHUCK	250.74	251.43
PRIMAL ROUND	237.07	237.57
PRIMAL LOIN	411.20	344.99
PRIMAL BRISKET	245.94	237.39
PRIMAL SHORT PLATE	228.52	228.52
PRIMAL FLANK	226.57	198.35

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.

2:00 PM JULY 28, 2023

PRIMAL RIB	448.10	375.13
PRIMAL CHUCK	250.38	249.88
PRIMAL ROUND	238.64	237.11
PRIMAL LOIN	411.52	345.80
PRIMAL BRISKET	246.51	233.86
PRIMAL SHORT PLATE	228.81	228.81
PRIMAL FLANK	225.52	193.88

=====

LOAD COUNT AND CUTOUT VALUE SUMMARY

Date	Choice	Select	Trim	Grinds	Total	600-900	600-900
07/28	69	17	5	10	101	302.00	277.54
07/27	66	29	14	4	114	302.86	279.76
07/26	77	21	3	12	114	303.34	279.81
07/25	91	28	9	21	149	304.22	277.55
07/24	37	38	8	16	99	304.16	276.99
07/21	56	18	7	23	103 FRIDAY	302.74	276.73 FRIDAY

=====

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.

Choice Cuts	44.43 loads	1,777,241 pounds
Select Cuts	25.22 loads	1,008,921 pounds
Trimmings	0.00 loads	0 pounds
Ground Beef	16.70 loads	667,908 pounds

=====

****WEEKLY FUTURES PRICE CHANGE**

	07/21/2023	07/28/2023
AUGUST 2023 LIVE CATTLE	180.02	178.15
OCTOBER 2023 LIVE CATTLE	181.90	179.60
DECEMBER 2023 LIVE CATTLE	185.17	183.60
FEBRUARY 2024 LIVE CATTLE	188.32	187.62
APRIL 2024 LIVE CATTLE	190.52	190.37
JUNE 2024 LIVE CATTLE	183.47	184.17

=====

After a light Friday, 110,00 head, and Saturday, 10,000 head, slaughter boxed beef sales Monday were extremely light. Total beef sales were only 86 loads. Packers are filling previously contracted beef orders and then have just enough beef to fill orders on the daily market. It's their way of trying to support prices and why the buying last week on the showlist was limited. Contracting cattle or owning cattle and selling contracted beef eliminates what is needed for the daily cattle and beef markets.

=====

August Live Cattle on Monday settled at \$178.05. The 5 day negotiated steer price is \$184.91. Monday, August 7th is first notice day. Now, it appears there is going to be a repeat of June Live Cattle with cash above futures and feedlots especially in the Midwest selling cattle as soon as packers will take them with the wide basis. But there is the possibility cash prices fall and narrow the spread. The discount that packers tried to buy Kansas cattle last week may have been an attempt at lower prices along with the thimbleful of showlist cattle bought in the Midwest.

Choice boxed beef to Select boxed beef is narrowing. Retailers are wanting to show in the meat case lower priced beef because consumers want cheaper beef. The proof is the drop in prices of Choice primal ribs, loins and briskets and the steady prices for primal chucks and rounds. There is still too much Select beef moving. Monday total Choice and Select beef loads were 69.65 loads. 36% were Select beef and Select beef gained as Choice beef was down.

=====

EXPORTS

For week ending July 20, 2023 beef net sale exports were 21,400 MT. A weekly average between 20,000 MT and 25,000 MT is what exports need to be. South Korea took 7400MT followed by Japan at 5500MT with China at 2800 MT. Canada taking 1200 MT is disappointing.

Week Ending July 13 , 2023 20,900 MT

Week Ending July 6 , 2023 9900 MT

Week Ending June 29 , 2023 17,000 MT

Week Ending June 22, 2023 12,000 MT

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

=====

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.

NATIONAL WEEKLY FED CATTLE COMPREHENSIVE REPORT JULY 25, 2023

As of July 25, 2023 dressed steer and heifer carcasses averaged 860.1 pounds up 1.9 pound from previous week at 858.2 pounds and 4.5 pounds lower at 864.6 pounds than a year ago. The grading percent as of 7/25/23 was 80.3% compared to previous week at 81.1%. A year ago the grade percent was 81.0%.

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

=====

*****NATIONAL DAILY DIRECT CATTLE 07/31/2023**

5 DAY ACCUMULATED WEIGHTED AVG

	WEIGHT	PRICE	HEAD
LIVE STEER:	1444	\$184.91	15,654
LIVE HEIFER:	1306	\$184.33	6,021
DRESSED STEER	938	\$293.84	9,618
DRESSED HEIFER:	845	\$294.15	1,894

=====

USDA POSTED SUMMARY CATTLE PRICES ON 07/31/2023

IA/MN – CASH FOB – 185.00 FOR STEERS 550 WEIGHING 1550 POUNDS

LIVE DELIVERED - NO REPORTABLE TRADE.

FRESSED DELIVERED – NO REPORTABLE TRADE.

NE – CASH FOB – NO REPORTABLE TRADE.

DRESSED – NO REPORTABLE TRADE.

KS – CASH – NO REPORTABLE TRADE.

LIVE DELIVERED: NO REPORTABLE TRADE.

DRESSED - NO REPORTABLE TRADE.

TX/OK/NM CASH – NO REPORTABLE TRADE FRIDAY.

CO - **NOT REPORTED DUE TO CONFIDENTIALITY**

=====

OCTOBER 2023 LIVE CATTLE/OCTOBER 2023 LEAN HOGS –

OCTOBER/DECEMBER 2023 LIVE CATTLE SPREAD –

AUGUST 2023 LIVE CATTLE –

OCTOBER 2023 LIVE CATTLE –

DECEMBER 2023 LIVE 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.

FEEDER CATTLE

CME FEEDER INDEX ON 07/28/2023 WAS 243.86 UP 99 CENTS FROM PREVIOUS DAY –

AUGUST 2023 FEEDER CATTLE FUTURES SETTLED ON 07/31/2023 AT \$245.60
=====

NATIONAL FEEDER & STOCKER CATTLE SUMMARY - WEEK ENDING 07/29/2023

RECEIPTS:	Auctions	Direct	Video/Internet	Total
This Week:	128,400	46,100	178,700	353,200
Last Week:	121,500	37,900	9,900	169,300
Year Ago:	150,600	61,900	8,900	221,400

Compared to last week, steers and heifers sold uneven; 1.00 lower to 3.00 higher. Demand was moderate to good. The supply of feeders was light to moderate and typical of a late July offering. Extreme heat dampened buyer's excitement on the calf market this week and those high-risk calves continue to find very little excitement. Yearlings on the other hand, many of which that are still out there have been held back typically in load lots garner a lot of excitement and continue to sell at or near record high prices. In general, the backgrounders that keep yearlings to market this time of know how to play the game and are bringing uniform load lots without too much condition, long time weaned with all the shots and buyers eagerly pay for that type of management.

=====

WEEKLY FUTURES PRICE CHANGE

	07/21/2023	07/28/2023
AUGUST 2023 FEEDER CATTLE	245.92	245.60
SEPTEMBER 2023 FEEDER CATTLE	249.27	248.97
OCTOBER 2023 FEEDER CATTLE	251.00	251.00
NOVEMBER 2023 FEEDER CATTLE	251.25	251.87
JANUARY 2024 FEEDER CATTLE	249.40	250.25
MARCH 2024 FEEDER CATTLE	249.85	250.87
APRIL 2024 FEEDER CATTLE	252.42	254.00
MAY 2024 FEEDER CATTLE	254.80	255.87

=====

OCTOBER 2023 FEEDER CATTLE/NOVEMBER 2023 FEEDER CATTLE SPREAD –
AUGUST 2023 FEEDER CATTLE –
SEPTEMBER 2023 FEEDER 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.

HOGS

USDA ESTIMATED FEDERAL HOG SLAUGHTER

JULY 31, 2023	476,000
WEEK AGO	456,000
YEAR AGO	412,000

=====
CME LEAN HOG INDEX ON 07/27/2023 WAS 105.81 DOWN 3 CENTS FROM PREVIOUS DAY

CME PORK CUTOUT INDEX 07/28/2023 AT 114.04 DOWN 32 CENTS FROM PREVIOUS DAY

THE CME LEAN HOG INDEX IS MINUS \$8.23 TO THE CME PORK INDEX.

=====

WEEKLY FUTURES PRICE CHANGE

	07/21/2023	07/28/2023
JULY 2023 LEAN HOGS	102.53	SETTLED ON 07/19/2023
AUGUST 2023 LEAN HOGS	100.67	103.20
OCTOBER 2023 LEAN HOGS	84.25	85.02
DECEMBER 2023 LEAN HOGS	76.82	77.05
FEBRUARY 2023 LEAN HOGS	80.92	80.87
APRIL 2023 LEAN HOGS	85.15	85.30
JUNE 2024 LEAN HOGS	95.12	95.70

=====

The CME Lean Hog Index is narrowing the difference between the CME Pork Index. As it narrows, it is negative for packers.

August Lean Hogs settled Monday at \$104.12 and the current CME Lean Hog Index is \$105.81.

=====

Pork prices were higher Monday. The daily pork carcass price was up \$6.15 and \$3.74 by the afternoon with all primal higher except Butts. Bellies were up \$22.65 the main reason for the big jump up and \$17.75 on later sales. But like the boxed beef market, load movement was small with only 201.98 loads of pork cuts and 27.5 loads of trimmings. With weights close to steady, packers are killing enough pork to fill contracts and then selling limited amount of pork for daily purchases. With the CME Lean Hog Index and CME Pork Index spread narrowing packers do not want extra pork that needs to be sold on the daily market.

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 and October Lean Hogs were higher with October Hogs back to April 4th prices. August moved up to March 15th , the day prices broke leading to a 3 day steep decline. Total volume was light.

Beef prices moving down could put a top in pork prices. Much of the move higher for pork was due to high beef prices. Now that beef has been dropping, demand for pork could easily be affected.

=====

Pork exports to Mexico are up in 2023. Through May 2023, the latest official data, U.S. pork plus pork variety meat total exports were up 14% with Mexico up 13%, the largest buyer of U.S. pork. But look for Mexico to slip in purchases. The Mexican Peso is up and is now called the “super peso.” But at the same time inflation is up big. Consumers have less money to spend on food.

MEXICO'S STRONGER PESO CUTS THE VALUE OF REMITTANCES FROM THE US

<https://www.reuters.com/markets/currencies/mexicos-super-peso-puts-squeeze-us-remittances-2023-07-31/>

=====

EXPORTS

Pork exports have been consistently good this year. Mexico was back as the largest buyer which is definitely needed. However, it is disappointing to have Japan take just 2,600 MT as the next largest buyer.

For week ending July 20, 2023 pork exports were down at 21,400 MT. Mexico was the biggest buyer taking 17,900 MT Japan the second buyer taking 2600MT followed by Canada at a low 1100 MT China took nothing

WEEK ENDING JULY 13, 2023 NET EXPORT SALES WERE 19,200 MT
WEEK ENDING JULY 06, 2023 NET EXPORT SALES WERE 24,500 MT
WEEK ENDING JUNE 29, 2023 NET EXPORT SALES WERE 26,000 MT
WEEK ENDING JUNE 22, 2023 NET EXPORT SALES WERE 26,700 MT

<https://apps.fas.usda.gov/export-sales/highlite.htm>

=====

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

Loads PORK CUTS : 201.98

Loads TRIM/PROCESS PORK : 27.51

	LOADS	CARCASS	LOIN	BUTT	PIC	RIB	HAM	BELLY
2:00 PM								
07/31/2023	229.49	117.21	101.24	104.81	84.06	113.79	99.47	231.76
CHANGE:		3.74	1.43	-5.44	4.76	0.18	3.02	15.75
FIVE DAY AVERAGE --		114.24	100.61	105.59	83.01	114.89	97.21	218.49
11:00 AM								
07/31/2023	119.28	119.62	102.41	108.61	84.39	118.10	101.04	238.66
CHANGE:		6.15	2.60	-1.64	5.09	4.49	4.59	22.65
FIVE DAY AVERAGE --		114.73	100.84	106.35	83.08	115.76	97.53	219.87
2:00 PM								
07/28/2023	291.54	113.47	99.81	110.25	79.30	113.61	96.45	216.01
CHANGE:		-1.26	-1.88	5.74	-1.73	-1.50	-1.90	-3.53
FIVE DAY AVERAGE --		114.24	100.70	106.64	83.48	115.84	97.32	217.17

=====

DAILY DIRECT AFTERNOON HOG REPORT - PLANT DELIVERED PURCHASE

JULY 31, 2023

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

National Negotiated Carcass Price

Head Count: 2,803

Lowest price: 90.00

Highest price: 108.00

Weighted Average 101.71

Change from Previous Day 1.24 higher

Other Market Formula (Carcass)

Head Count: 29,092

Lowest Base Price: 74.05

Highest Base Price: 107.83

Weighted Average Price: 99.35

Swine/Pork Market Formula (Carcass)

Head Count 187,439

Lowest base price: 94.44

Highest Base Price: 109.66

Weighted Average Price 103.55

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.

Other Purchase Arrangement (Carcass)

HEAD COUNT: 154,261

Lowest base price: 87.33

Highest base price: 113.08

Weighted Average Price: 99.64

=====

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 FRIDAY, JULY 28, 2023 AND SATURDAY, JULY 29, 2023

****PRODUCER SOLD:**

HEAD COUNT 260,890

AVERAGE LIVE WEIGHT 275.76

AVERAGE CARCASS WEIGHT 207.21

PACKER SOLD:

HEAD COUNT 35,041

AVERAGE LIVE WEIGHT 284.41

AVERAGE CARCASS WEIGHT 214.10

PACKER OWNED:

HEAD COUNT 203,624

AVERAGE LIVE WEIGHT 278.70

AVERAGE CARCASS WEIGHT 210.68

=====

OCTOBER /DECEMBER LEAN HOG SPREAD –

DECEMBER/FEBRUARY LEAN HOG SPREAD –

AUGUST 2023 LEAN HOGS –

OCTOBER 2023 LEAN HOGS –

DECEMBER 2023 LEAN HOGS –

=====

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.