



ADM Investor
Services, Inc.

Daily Futures Market Commentary Livestock Outlook

FRIDAY MORNING FEBRUARY 16, 2024 LIVESTOCK REPORT

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BEEF AND PORK EXPORT HIGHLIGHTS ON LAST PAGE

CATTLE

FEBRUARY 15, 2024	123,000
WEEK AGO	125,000
YEAR AGO	123,734
WEEK TO DATE	486,000
PREVIOUS WEEK	501,000
2023 WEEK TO DATE	496,142
YTD 2024	4,047,735
YTD 2023	4,286,934
YTD% CHANGE	-5.6%

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

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2:00 PM FEBRUARY 15, 2024

BOXED BEEF	CHOICE	SELECT
CURRENT CUTOUT VALUES:	295.30	287.99
CHANGE FROM PRIOR DAY:	1.30	3.97
CHOICE/SELECT SPREAD:		7.31
TOTAL LOAD COUNT (CUTS, TRIMMINGS, GRINDS):		134
5 DAY SIMPLE AVERAGE:	293.88	285.11

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CME BOXED BEEF INDEX ON 02/15/2024 WAS 292.87 DOWN 26 CENTS FROM PREVIOUS DAY

2:00 PM FEBRUARY 15, 2024

PRIMAL RIB	457.25	417.49
PRIMAL CHUCK	257.65	261.71
PRIMAL ROUND	251.23	251.39
PRIMAL LOIN	381.66	362.31
PRIMAL BRISKET	227.15	228.80
PRIMAL SHORT PLATE	193.70	193.70
PRIMAL FLANK	138.58	139.14

2:00 PM FEBRUARY 14, 2024

PRIMAL RIB	451.91	412.88
PRIMAL CHUCK	255.56	252.07
PRIMAL ROUND	249.19	249.21
PRIMAL LOIN	381.03	361.71
PRIMAL BRISKET	238.54	228.85
PRIMAL SHORT PLATE	193.81	193.81
PRIMAL FLANK	136.98	139.59

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LOAD COUNT AND CUTOFF VALUE SUMMARY

Date	Choice	Select	Trim	Grinds	Total		
02/14	58	15	11	15	99	294.00	284.02
02/13	66	24	5	14	108	292.27	285.30
02/12	44	8	29	8	89	294.08	287.02
02/09	55	16	24	11	105	FRIDAY 294.04	285.08 FRIDAY
02/08	89	20	7	17	133	295.01	284.12

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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 15, 2024

Choice Cuts	99.13 loads	3,965,123 pounds
Select Cuts	14.48 loads	579,058 pounds
Trimming	11.74 loads	469,587 pounds
Ground Beef	8.17 loads	326,858 pounds

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FEBRUARY 2024 LIVE CATTLE DELIVERIES

0 DELIVERIES AS OF 02/15/2024

**DATE 02/15/24 SETTLEMENT: \$183.40
OLDEST LONG – 12/28/2023 \$168.92**

OPEN INTEREST AS OF FEBRUARY 16, 2024 – 10,935 CONTRACTS

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FEBRUARY 2024 LIVESTOCK REPORTS

CATTLE ON FEED REPORT – FEBRUARY 23, 2024

COLD STORAGE REPORT – FEBRUARY 23, 2024

REPORTS 2:00PM CENTRAL TIME

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Kansas, Texas, New Mexico and Oklahoma sold cattle from \$178.00 to \$180.00. Sales in the Midwest were 179.00 - 183.00 averaging \$180.5. Dressed prices in IA/MN were 283.00 - 287.00. Compared to last week prices were \$1.00 to \$2.00 lower.

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A quick cold snap with some snow is moving across portions of the Midwest with weather along the East Coast cold and snowy. But temperatures by the upcoming mid-week will be warming with several cattle feeding states as much as 30 plus degrees above normal.

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Beef was higher on light sales. Packers keep kill at levels where daily beef is supported. Going forward consumers are be a big part of how beef trades. Beef is used as a reason why grocery prices remain high. January heating bills and end of the year credit cards are needing to be paid.

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There is no reason for a packer to push kill other than small kills do cost a packer. Light kills are not efficient for a packer not being able to spread numbers against fixed costs and packers pay guaranteed union hours. But more beef drops beef prices so packers at this point kill exactly the number of cattle needed to match beef orders.

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Cattle are recovering from the January winter freeze. Steer and heifer carcasses gained 7 pounds from the previous week and the grading percent was 1.1% higher.

EXPORTS WEEK

FOR WEEK ENDING FEBRUARY 8, 2024 EXPRTS WERE 16,600MT . THERE WERE NO LARGE BUYERS JAPAN BOUGHT 4100MT, CHINA 3700MT AND SOUTH KOREA TOOK 3200 MT

WEEK ENDING FEBRUARY 1, 2024	20,600MT
WEEK ENDING JANUARY 25, 2024	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

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

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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 2/3/2024

	Nebraska	Kansas	Texas
Prime	12.48%	7.04%	4.42%
Choice	73.47%	77.23%	64.84%
Select	9.28%	12.69%	28.59%
Other	4.77%	3.04%	2.15%

For Week Ending: January 26, 2024

	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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NATIONAL WEEKLY FED CATTLE COMPREHENSIVE REPORT FEBRUARY 6, 2024

As of February 13, 2024, dressed steer and heifer carcasses averaged 876.2 pounds up 7.0 pounds from previous week and up 5.9 pounds from a year ago. The grading percent as of 02/13/24 was 84.1 % compared to previous week at 82.9%. On February 14, 2023 carcasses weighed 870.3 pounds and graded 85.8%.

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

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***NATIONAL DAILY DIRECT CATTLE 02/15/2024

5 DAY ACCUMULATED WEIGHTED AVG

	WEIGHT	PRICE	HEAD
LIVE STEER:	1480	\$180.76	48,338
LIVE HEIFER:	1330	\$180.53	30,865
DRESSED STEER	938	\$287.11	14,027
DRESSED HEIFER:	842	\$287.22	5,190

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**USDA POSTED SUMMARY CATTLE PRICES ON 02/15/2024
STEER AND HEIFER COMBINED PRICES UNLESS NOTED**

**IA/MN – CASH FOB – 179.00 - 183.00 ON 3,172 STEERS AVE PRICE 180.50
179.00 - 181.00 ON 329 HEIFERS AVE PRICE 180.56
DRESSED DELIVERED – 283.00 - 287.00 AVE PRICE 285.04
LIVE DELIVERED 179.00 - 184.00 ON 312 HEAD 183.81
DRESSED FOB - 286.00**

**NE – CASH FOB – 178.00 - 180.00 ON 1,709 179.93
CASH FOB - NO REPORTABLE TRADE
DRESSED FOB - NO REPORTABLE TRADE
DRESSED DELIVERED - 285.00 - 288.00 ON 287.06**

**KS – CASH – 179.00 ON 410 HEAD AVE PRICE 179.00
DRESSED DELIVERED - NO REPORTABLE TRADE**

TX/OK/NM CASH – 178.00 - 180.00 ON 425 TOTAL HEAD AVE PRICE 178.68

COLORADO - **INFORMATION NOT AVAILABLE DUE TO CONFIDENTIALITY**

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**APRIL 2024/JUNE 2024 LIVE CATTLE SPREAD –
APRIL 2024 LIVE CATTLE –
JUNE 2024 LIVE CATTLE –**

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FEEDER CATTLE

CME FEEDER INDEX ON 02/14/2024 WAS 244.93 DOWN 1.73 CENTS FROM PREVIOUS DAY

MARCH 2024 FEEDER CATTLE FUTURES SETTLED ON 02/15/2024 AT \$247.10

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Feedlots are not only benefiting from lower grain prices but depending on local basis and availability of wheat and corn, feedlots benefit from the wheat/corn spread. The May Kansas Wheat/May Corn spread is below \$140.00, and the July spread traded down Thursday to \$119.50. Chicago July wheat/July corn was below \$130.00 Thursday.

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NATIONAL FEEDER & STOCKER CATTLE SUMMARY - WEEK ENDING 02/10/2024

RECEIPTS:	Auctions	Direct	Video/Internet	Total
This Week:	303,000	57,300	57,400	417,700
Last Week:	286,500	52,600	6,200	345,300
Year Ago:	256,500	52,000	5,100	313,600

Compared to last week, steers and heifers sold steady to 5.00 higher. Demand was good for all weights and classes of cattle. This week is the largest auction volume on this report for the year so far, which is normally reserved for the first full week of the New Year due to the challenging wintry conditions at that time pushed the marketing of auction cattle out further than normal. Feedyard and backgrounding pens in the Plains have improved after they were inundated with snow a few weeks ago. There has been much optimism infused into the feeder market by the futures contracts moving back towards their historic levels before they crashed after Thanksgiving. In the Northern Plains, several internet and in house buyers are looking for heifers to place a bangs tag in and will be bred to a bull for resale later this year or kept within their own herds.

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MARCH 2024 FEEDER CATTLE –

MAY 2024 FEEDER CATTLE –

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HOGS

USDA ESTIMATED FEDERAL HOG SLAUGHTER

FEBRUARY 15, 2024	489,000
WEEK AGO	491,000
YEAR AGO	472,257
WEEK TO DATE	1,955,000
PREVIOUS WEEK	1,957,000
2023 WEEK TO DATE	1,913,527
YTD 2024	17,124,523
YTD 2023	17,101,485
YTD% CHANGE	0.1%

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CME LEAN HOG INDEX ON 02/13/2024 WAS 74.60 UP 49 CENTS FROM PREVIOUS DAY

CME PORK CUTOUT INDEX 02/14/2024 AT 86.72 UP 47 CENTS FROM PREVIOUS DAY

THE CME LEAN HOG INDEX IS MINUS \$12.12 TO THE CME PORK INDEX. 02/15/2024

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PORK CONSUMPTION IN BRAZIL IS EXPECTED TO INCREASE 2.8% IN 2024
JANUARY 4, 2024

According to researchers at the Center for Advanced Studies in Applied Economics (Cepea), pork consumption in Brazil is expected to increase by 2.8% in 2024. This estimate is based on the possible increases in domestic consumption of the pig sector and exports, as well as the likely reduction in production costs compared to previous years. In the period from January to November 2023, Brazilian pork exports already totaled 1.1 million tons, and the expectation is that this performance will continue in 2024, renewing the record of 2021, which was 1.12 million tons.

To meet domestic and foreign demand for fresh and processed pork products, the number of animals slaughtered in Brazil may increase by 3.3% from 2023 to 2024, totaling 59.1 million head, according to Cepea projections. In addition, pig farmers can expect slightly better profitability than in recent years, mainly due to the recent devaluation of corn and soybean meal, which are the main inputs used in animal feed and represent a large portion of production costs.

[Pork consumption in Brazil expected to increase 2.8% in 2024 | Young Pan \(jovempan.com.br\)](https://www.jovempan.com.br)

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Pork prices were higher Thursday. Loins , Hams and Bellies led the move up. Total pork cuts were 207 loads. Slaughter is now .1% above a year ago levels but down from last week.

Big exports are the plus to the hog and pork markets, the icing on the cake. The U.S. is not a big pork eating country. Exports move pork that would push down prices that people in the US don't eat.

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April settled \$9.35 over February. February settled on February 14th at \$75.17. June is \$12.70 over April on February 15th .

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EXPORTS

EXPORTS WERE VERY BIG FOR WEEK ENDING FEBRUARY 8, 2024 AT 71,900 MT . MEXICO TOOK 25,000 MET TONS CHINA BOUGHT 19,500 MT JAPAN 9100 MT AND SOUTH KOREA 6000MT

WEEK ENDING FEBRUARY 1, 2024 NET EXPORTS WERE 39,200 MT
WEEK ENDING JANUARY 25, 2024 NET EXPORTS WERE 42,900 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 : 207.38

Loads TRIM/PROCESS PORK : 31.16

2:00 PM	LOADS	CARCASS	LOIN	BUTT	PIC	RIB	HAM	BELLY
02/15/2024	238.54	89.79	86.54	105.04	61.38	140.83	78.53	129.23
CHANGE:		3.88	4.70	2.44	-0.76	-1.90	6.48	6.37
FIVE DAY AVERAGE --		87.47	84.10	102.42	61.82	140.98	76.47	123.97

11:00 AM	LOADS	CARCASS	LOIN	BUTT	PIC	RIB	HAM	BELLY
02/15/2024	133.92	88.99	86.97	105.15	61.14	139.49	77.08	126.32
CHANGE:		3.08	5.13	2.55	-1.00	-3.24	5.03	3.46
FIVE DAY AVERAGE --		87.31	84.19	102.44	61.77	140.71	76.18	123.39

2:00 PM	LOADS	CARCASS	LOIN	BUTT	PIC	RIB	HAM	BELLY
02/14/2024	287.56	85.91	81.84	102.60	62.14	142.73	72.05	122.86
CHANGE:		-1.25	-1.97	0.59	-0.85	2.19	-5.41	1.62
FIVE DAY AVERAGE --		86.79	83.83	101.18	61.99	140.26	75.83	122.45

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HOG REPORT - PLANT DELIVERED PURCHASE FEBRUARY 15, 2024

National Negotiated Price

Head Count: 4,200

Lowest price: 61.00

Highest price: 70.00

Weighted Average 67.34

Change from Previous Day -0.87 lower

Other Market Formula (Carcass)

Head Count: 45,301

Lowest Base Price: 65.60

Highest Base Price: 97.50

Weighted Average Price: 83.13

Swine/Pork Market Formula (Carcass)

Head Count 155,612

Lowest base price: 65.92

Highest Base Price: 83.50

Weighted Average Price 74.08

Other Purchase Arrangement (Carcass)

HEAD COUNT: 59,950

Lowest base price: 69.11

Highest base price: 101.39

Weighted Average Price: 78.87

<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 14, 2024

****PRODUCER SOLD:**

HEAD COUNT 235,969

AVERAGE LIVE WEIGHT 287.45

AVERAGE CARCASS WEIGHT 215.16

PACKER SOLD:

HEAD COUNT 33,357

AVERAGE LIVE WEIGHT 286.68

AVERAGE CARCASS WEIGHT 215.78

PACKER OWNED:

HEAD COUNT 181,236

AVERAGE LIVE WEIGHT 286.19

AVERAGE CARCASS WEIGHT 218.46

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APRIL/JUNE LEAN HOG SPREAD -

APRIL 2024 LEAN HOGS –

JUNE 2024 LEAN HOGS –

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Beef: Net sales of 16,600 MT for 2024 were down 19 percent from the previous week and 18 percent from the prior 4-week average. Increases primarily for Japan (4,100 MT, including decreases of 300 MT), China (3,700 MT, including decreases of 100 MT), South Korea (3,200 MT, including decreases of 300 MT), Taiwan (1,900 MT, including decreases of 100 MT), and Mexico (1,200 MT), were offset by reductions for Chile (100 MT). Exports of 16,400 MT were up 2 percent from the previous week and 4 percent from the prior 4-week average. The destinations were primarily to South Korea (4,700 MT), Japan (3,200 MT), China (3,100 MT), Mexico (2,000 MT), and Taiwan (900 MT).

Pork: Net sales of 71,900 MT for 2024 were up 83 percent from the previous week and up noticeably from the prior 4-week average. Increases were primarily for Mexico (25,000 MT, including decreases of 300 MT), China (19,500 MT, including decreases of 400 MT), Japan (9,100 MT, including decreases

of 300 MT), South Korea (6,000 MT, including decreases of 700 MT), and the Philippines (4,300 MT). Exports of 75,900 MT were up 82 percent from the previous week and up noticeably from the prior 4-week average. The destinations were primarily to Mexico (29,400 MT), China (22,400 MT), South Korea (5,900 MT), the Philippines (4,400 MT), and Japan (3,500 MT).

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CHARTS FROM ESIGNAL INTERACTIVE, INC.

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