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Interesting start and finish to yesterday's trade in the meat complex. Friday afternoon housed a monthly COF report, as well as Cold Storage numbers. Compared to the expectations the On Feed numbers were bearish. Cold storage figures were bearish in the expectations and they were bearish on paper when they hit the press as well. What wasn't bearish was the negotiated cash feedlot trade that happened late afternoon before the weekend. Southern Plains trade hit a peak of \$135, which is \$1 better than the previous week and Nebraska was steady at \$134.

The bullishness of the feedlot trade obviously trumped the bearishness of the reports at the start with front month Live Cattle coming out of the gate around 90 cents higher than Friday's close. The finish wasn't very appealing though as live contracts closed moderately lower. Feeders were moderately lower in all but the spot January that closed 80 higher. That carried a lot of confusion as well. The CME FC Index quote is just under \$3.00 below yesterday's futures close and that index has been quoted lower every single business day since January 6<sup>th</sup>. Yesterday it was up mildly, but prior to that it had been lower for 11 consecutive quotes. To put that in a little better perspective, feeder futures were up \$5.00+ last week and the index was quoted lower every day last week.

On a little brighter note for the feeders, Joplin's Monday sale had light-mid weight feeder steers and heifers quoted \$5-\$10 better and heavy weight feeders quoted \$4-\$6 higher.

Cattle slg. \_\_\_ 112,000 +5k wa -1k ya

Choice Cutout \_\_\_ 223.79 -1.04

Select Cutout \_\_\_ 218.94 -1.74

Feeder Index: \_\_\_ 157.54 +.03

Lean Index. \_\_\_ 58.37 +.53

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Pork cutout\_\_\_75.58 +.29

IA-S.MN direct avg\_\_57.04 +.44

Hog slg.\_\_\_434,000 +50k wa +1k ya

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In the grain and oilseed trade, soybeans and wheat settled mildly higher yesterday while the corn was flat and mixed. Export inspections were bearish wheat and neutral corn and beans and really didn't seem to have any impact on the market. Wheat inspections were 6.9 mln bushels, which is about half the previous week. Corn was 23.6 mln bushels and beans 44 mln bushels, along with milo at 6 mln. Marketing year to date totals in all these crops have wheat at 481 mln versus 541 at the same time the previous year. Corn shipments are 442 mln bushels versus 563 previous year. Beans are 1.162 bln versus 1.314 in the previous year. Milo is the bright spot at 167 mln in export loadings versus 146 mln in the previous year.

8:00am export reporting was nonexistent this morning.

6-10 day weather forecasts from last night showed Normal to below normal temps for most of the High Plains and above normal from the Central Plains all the way through the East Coast. Precip chances were above normal everywhere except a line from far Southern Oklahoma to the south. The Panhandle region was above normal.

Legitimate, market driving news is non-existent this morning. The Congressional Budget Office released baseline estimates for farm programs out through the year 2026. Given the fact estimates out past one year and often within a year are usually worth less than the paper they are printed on, I'll leave you without filling you full of worthless information about the statistics this morning.

Technical analysis of the grains and oilseeds still show a decisive longer term down trend, but the very short term picture continues to look favorable to the upside.

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