

Friday, September 23, 2022

Number 40 - Volume 15

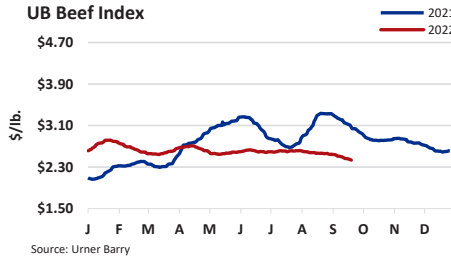
**WEEKLY COMMODITY AT A GLANCE**

	This Week	Last Week	Last Year
Omaha, US No 2 Yellow Corn	UNQ	UNQ	5.38
CBOT Soybean	1,425.75	1,448.50	1,277.00
NYMEX Light Crude Oil	78.74	85.11	75.29
Loose Lard, Chicago Basis	UNQ	UNQ	0.74
Edible Tallow, Chicago Basis	UNQ	UNQ	UNQ
Beef Trimmings, 90% Fresh	267.00	268.00	280.00
Beef Trimmings, 50% Fresh	100.00	98.00	138.00
Aust/NZ Blend Cow 90% EC Spot	261.00	261.00	282.00
USDA Drop Credit	0.000	0.146	0.154
112A 3 Ribeye Roll, Lip-On CH	920.00	950.00	1,475.00
116A 3 Chuck Roll, Neck-Off CH	325.00	330.00	445.00
168 3 Round, Top (Inside) CH	280.00	290.00	325.00
180 3 Strip Loin, Bnls, 0x1 CH	640.00	640.00	725.00
136 Coarse Ground 81%	230.00	246.00	246.00
189A 4 Loin, Tenderloin, PSMO CH	1,200.00	1,200.00	1,580.00
Cattle-Fax, 6-State Fed Steer Price	142.67	142.56	124.02
Select Hams 20/23	108.00	110.00	66.00
Sq Cut Bellies 14/16	150.00	155.00	182.00
1/4 Trmd. Loins 21/dn	122.00	120.00	112.00
1/4 Tr Boston Butts 9/dn	120.00	123.00	110.00
Spareribs, Light, Fresh	143.00	145.00	147.00
Fresh Pork Trim (42%)	69.00	71.00	75.00
Fresh Pork Trim (72%)	99.00	110.00	106.00
Carcass Lamb Y4+55/65	4.41	4.41	5.55
Lamb Cuts, 204 Rack, 8-Rib, 7/Up	14.50	14.50	15.25
Lamb Cuts, 206 Shoulder, Cross Cut	4.55	4.55	5.10
Lamb Cuts, 232 Loin Trmd 4x4	8.50	8.50	11.65
Lamb Cuts, 234 Leg, Boneless	7.00	7.00	9.60
Carcass Veal, Hide-off, 255/315, NC	4.40	4.40	3.60
Veal Cuts, 306 Hotel Rack, 7-Rib 14/20	12.50	12.50	10.00
Veal Cuts, 310 Shoulder Clod 14/20	8.25	8.25	7.80
Veal Cuts, 332 Loin, 4x4 Trim 12/18	6.75	6.75	6.80
Veal Cuts, 363A Leg, TBS 3-Pc 24/32	10.75	10.75	10.20

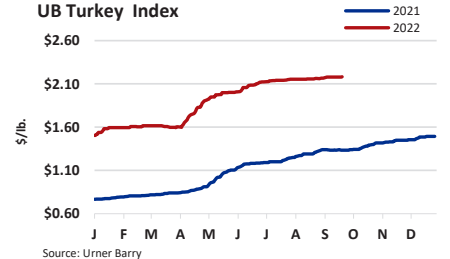
Quotes represent the high side of Friday's trading range

**RIEMANN CONTRACT SETTLEMENTS**

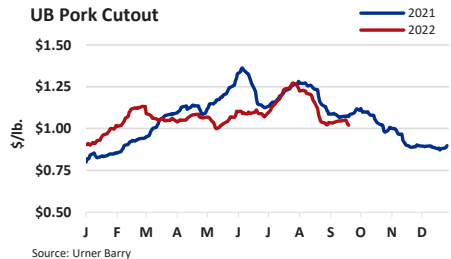
	9/23	9/16	9/9
Weekly Imported Aust/NZ Blend Cow 90% EC 7:45	2.61	2.62	2.64
Weekly Weighted Average Blended Boxed Beef Cutout Index	240.84	248.25	253.74



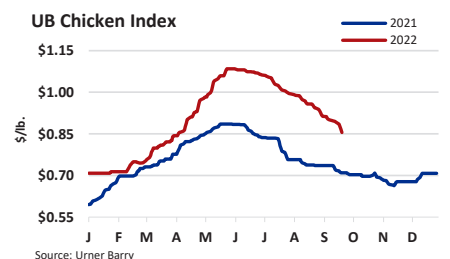
Source: Urner Barry



Source: Urner Barry



Source: Urner Barry



Source: Urner Barry

**EST. DAILY CATTLE SLAUGHTER**

	M	T	W	TH	F	S	Total
TW	127	128	127	127	125	33	667
LW	125	128	126	125	118	45	667
*LY	119	122	120	116	111	55	643

**EST. DAILY HOG SLAUGHTER**

	M	T	W	TH	F	S	Total
TW	478	485	484	482	475	134	2,538
LW	475	476	484	482	473	75	2,465
*LY	465	463	470	476	472	237	2,583

**EST. DAILY SHEEP SLAUGHTER**

	M	T	W	TH	F	S	Total
TW	9	8	6	6	4	0	33
LW	9	8	6	7	4	0	34
*LY	9	6	6	7	5	1	35

**EST. DAILY CALVES SLAUGHTER**

	M	T	W	TH	F	S	Total
TW	2	1	1	1	1	0	6
LW	2	1	1	1	1	0	6
*LY	2	0	1	2	2	2	8

**EST. DAILY COW & BULL SLAUGHTER**

	F	S	M	T	W	TH	Total
LW	9/9	9/10	9/12	9/13	9/14	9/15	
	27	15	28	26	29	28	153
TW	9/16	9/17	9/19	9/20	9/21	9/22	
	27	6	26	28	29	29	145
*LY	25	13	25	27	28	26	144

\*Last Year's numbers are rounded

**FOREIGN EXCHANGE RATES**

	This Week	Last Week	Last Year
Australia, Dollar	0.657	0.668	0.723
Mexico, Peso	20.139	20.107	20.273
Canada, Dollar	1.353	1.329	1.267
Japan, Yen	142.852	143.236	111.600
China, Yuan (RMB)	7.121	7.010	6.462
Brazil, Real	5.205	5.268	5.406
South Korea, Won	1,417.70	1,390.00	1,186.65
Taiwan, Dollar	31.787	31.325	27.760
European Union, Euro	0.975	0.997	1.167

**COLD STORAGE STOCKS**

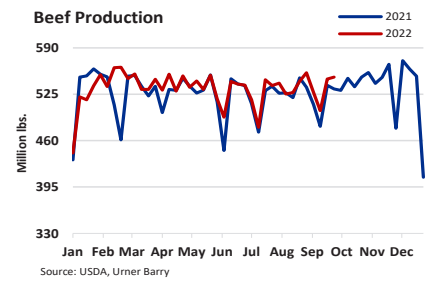
(Pounds in Thousands)	8/31/21	7/31/22	8/31/22
Beef in Freezer, Bnls	384,156	457,866	463,780
Cuts	30,742	54,000	51,896
<b>Total Beef</b>	<b>414,898</b>	<b>511,866</b>	<b>515,676</b>
<b>PORK &amp; OTHER</b>	<b>8/31/21</b>	<b>7/31/22</b>	<b>8/31/22</b>
Pork in Freezer, Picnics	5,408	6,685	6,960
Hams	185,640	151,634	163,527
Bellies	17,562	42,842	32,493
Loins	29,341	33,376	33,159
Spareribs	54,150	106,315	107,318
Butts	13,163	14,808	16,908
Trimmings	37,237	46,769	39,930
Other Pork in Freezer	48,761	53,078	60,144
Total	454,203	526,478	532,039
Veal in Freezer	6,056	2,817	2,931
Lamb & Mutton in Freezer	22,051	25,589	29,139
<b>Total</b>	<b>28,107</b>	<b>28,406</b>	<b>32,070</b>

Data Updated: September 23, 2022

URNER BARRY'S WEEKLY RED MEAT INSIDER'S REPORT is available on FoodMarket.com and through Urner Barry's flagship service Comtell Online. FoodMarket is available for \$37.00 a month.

UB BEEF CUTOUT Sep-23 v. Sep-16				
	CHOICE	SELECT	NO-ROLL	CAB
Rib	-1.41%	-2.50%	-0.73%	-0.72%
Chuck	-1.04%	-1.46%	-2.20%	-0.56%
Round	-2.04%	-1.05%	-0.29%	-0.08%
Loin	-0.89%	-3.05%	-4.66%	-1.54%
Brisket	-5.08%	-3.27%	-4.89%	-2.83%
Plate	-3.74%	-3.74%	-3.74%	-0.64%
Flank	-3.69%	-0.71%	-1.68%	-1.33%
<b>Total</b>	<b>-1.62%</b>	<b>-2.15%</b>	<b>-2.45%</b>	<b>-0.89%</b>

**BEEF**



**BEEF COMMENTARY**

This week it appeared there wasn't a discount that could keep the market afloat. The bulk of the primal trended lower on the week. Select grade came under significant pressure once again as grading remained under par. With the inflation headlines and the Fed raising interest rates once again, financial markets cratered adding an additional layer of fear into the market. And with the dollar continuing down a path of strength this has led many to believe export demand will significantly decrease in the coming months. With that, recession is now an everyday topic of concern, and it seemed it is no longer an "if" but a "when" in most participants eyes. Many believe historicals have become useless in the past couple years so forecasts for year-end holiday demand varies widely among participants.

**LIVE CATTLE:** Cash cattle prices this week were \$1.00 higher in the South at mostly \$142.00/cwt live and a bit more mixed in the North at \$143.00/cwt live and dressed sales were steady to higher at \$226.00 to \$227.00/cwt.

**SLAUGHTER & BEEF PRODUCTION:** The weekly federally inspected slaughter was 667,000 head, the same as last week. Live weights ended the week five pounds higher at 1360 pounds. Dressed weights were up three pounds higher at 826 pounds.

**RIBS:** This week we saw a continuation of weakness that was carried over from the week prior early off. Throughout the rest of the week pricing held fairly steady and buyers seemingly were just picking at the area as many are still hesitant around these items. For the first time in a while, we began to see spreads widen between light and heavy cuts and one may argue that's simply because there are a healthy amount of heavies within the market. Select and no-roll ribs continued to be very available and negotiable.

**CHUCKS:** Chuck items were able to hold fairly steady once more this week as we saw minor changes made around clods and rolls. There seemed to still be a good balance between supplies and demand which has left us with a consistent sideways chop for the last couple of weeks. With demand seen as fairly weak by most, many wonder when or if for that matter will the fall rally begin.

**ROUNDS:** The round complex saw minor changes throughout the week, although usually to the downside. Insides, flats, and knuckles all trended lower on the week with insides leading the charge. It seemed to be consensus by the end of the week that production levels are significantly outpacing demand. Many believe these trends may continue without intervention on the production side.

**LOINS:** Loins continued to falter throughout the week and this came as no surprise to most as we have seen some of the highest values on record for the latter half of the year. Even at today's current prices, the corrections seen are just barely beginning to put us back into historical ranges of the last 10 years. The new rounds of pricing seen although have made some wonder whether retail may get back into the market with some force to squeeze out some final T-Bone or Porterhouse features.

**GROUND BEEF:** Grinds corrected lower on the week as demand has gone by the wayside. Many do not expect this area to improve significantly without the cooler weather rolling through consistently. With burger season just about wrapped up it appeared there is little to point at for incoming support.

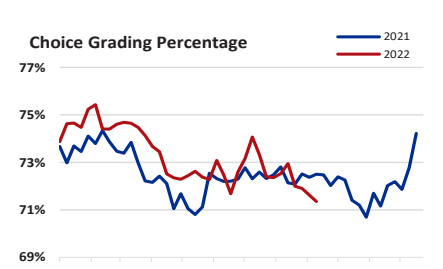
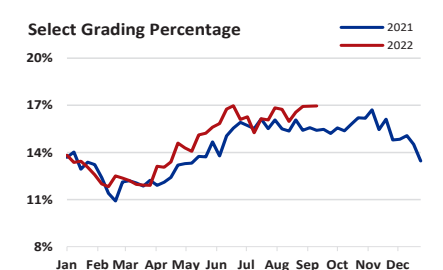
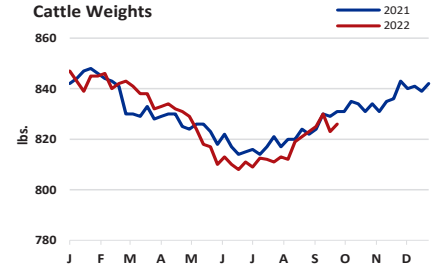
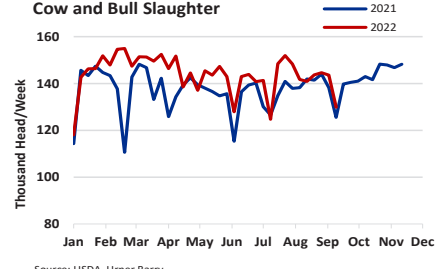
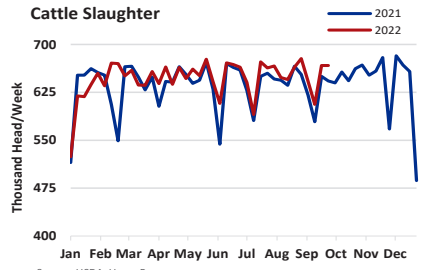
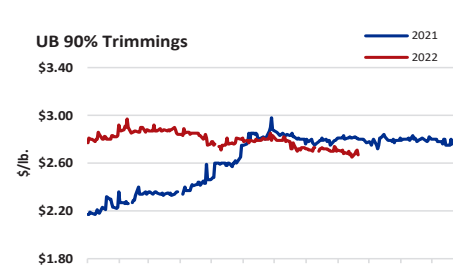
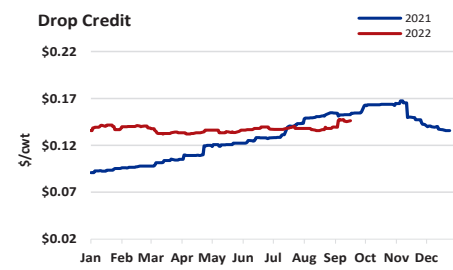
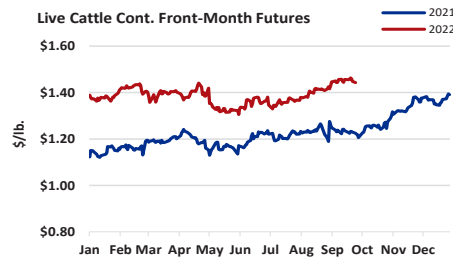
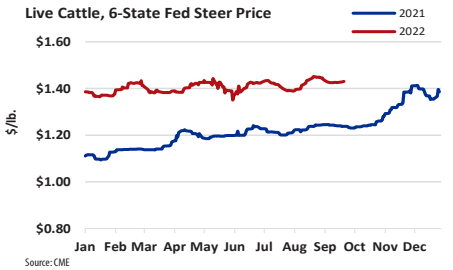
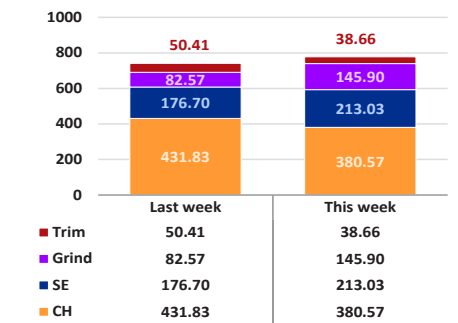
**BONELESS BEEF:** About steady was the call for the leaner boneless beef this week. Supplies were reportedly a little more readily available in some areas. Fresh 50s trended lower as the week progressed. Buying interest was moderate at best in most cases. This week's cattle slaughter was estimated at 667,000 head which is on par with the previous week.

**UB BEEF CUTOUT-CH/SE SPREAD (\$/cwt)**

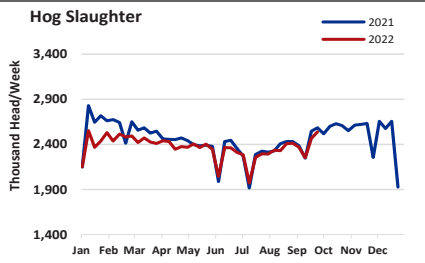
	M	T	W	TH	F
TW	21.52	21.58	21.75	21.46	22.09
*LW	21.69	21.25	21.91	22.47	22.75

\*Last Week's numbers are rounded

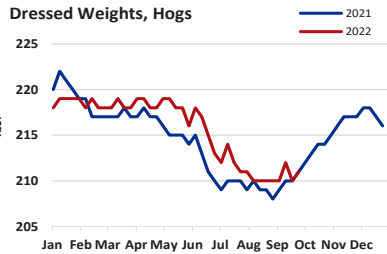
**Weekly Beef Breakdown** (# of loads) Source: USDA, Urner Barry  
1 load = 40,000 lbs.



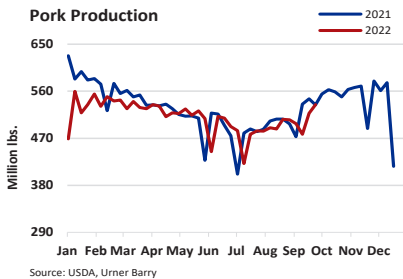
**PORK PRODUCTION**



Source: USDA, Urner Barry



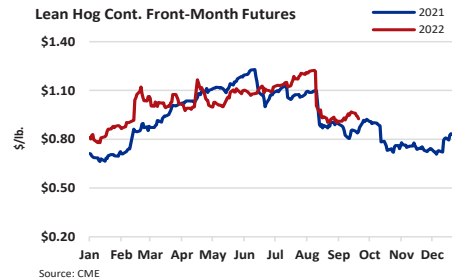
Source: USDA, Urner Barry



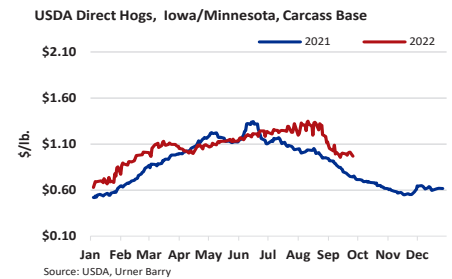
Source: USDA, Urner Barry

**LIVE HOGS & CUTOUT**

PORK CUTOUT	Sep-16	Sep-23	Change
Loin	101.200	98.950	-2.250
Butt	104.330	101.710	-2.620
Picnic	86.350	85.450	-0.900
Sparerib	137.660	135.000	-2.660
Ham	103.910	101.140	-2.770
Belly	143.820	137.640	-6.180
<b>Cutout Value</b>	<b>104.729</b>	<b>101.943</b>	<b>-2.786</b>



Source: CME



Source: USDA, Urner Barry

**PORK COMMENTARY**

This week, elevated slaughter figures, increasing hog weights, and declining export demand influenced pork trade. Urner Barry's pork carcass cutout decreased by 2.66 percent during the week. Estimates of margins for outside purchasers of hogs on Friday were \$1.89/head while margins for vertically integrated packers were estimated at \$2.11/head.

**PORK PRODUCTION:** Pork production for the week ending 9/24/2022 was estimated to be 534.5 million pounds. This was 3.3 percent higher than last week and a 2.0 percent decrease from a year ago. Live hog weights averaged 283 pounds for the week, which was 1 pound heavier than last week and 1 pound less than a year ago.

**GREEN MEATS:** Hams were under pressure throughout the week. Both bone-in and boneless items were strongly influenced by declining export demand as the US dollar continued to strengthen against foreign currencies. This resulted in Mexico taking a cautious approach to bone-in hams amid their elevated price levels and Japan backing off on boneless ham imports, amongst other pork cuts. Bellies were unsettled and traded in wide ranges this week as supply varied greatly by location. In trim, 42s, 72s, and boneless picnics saw a large majority of their weakness come from the elevated hog slaughter figures, which resulted in fully adequate supplies throughout the industry.

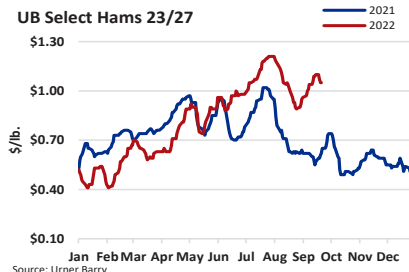
**HAMS:** Bone-in ham values were \$0.50/cwt to \$5.00/cwt weaker while boneless cuts declined \$1.00/cwt to \$2.50/cwt.

**BELLIES:** Skinless bellies were \$11.00/cwt weaker to \$12.00/cwt weaker.

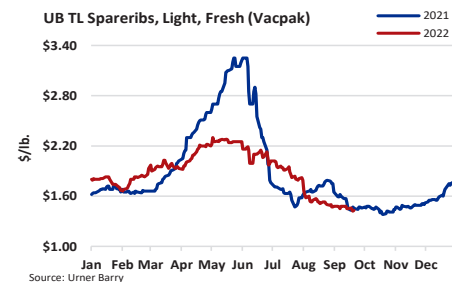
**TRIMMINGS:** 42s were \$3.50/cwt weaker while 72s were \$12.00/cwt less than the previous week. Meanwhile, boneless picnics were \$3.50/cwt lower.

**RETAIL:** 1/4" bone-in loins were \$2.00/cwt higher while 1/8" loins were generally unchanged. Boneless strap-on loins were \$5.50/cwt weaker while boneless strap-off loins decreased \$9.00/cwt. Bone-in sirloins were \$9.50/cwt higher while boneless sirloins declined \$2.00/cwt. Tenderloins decreased \$10.00/cwt throughout the week. 1/4" bone-in butts were down \$4.50/cwt while boneless butts were flat. Light spareribs decreased \$1.50/cwt while medium spareribs also fell \$4.00/cwt.

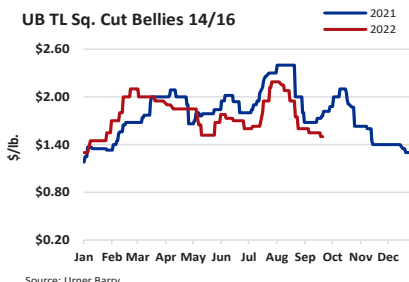
**PORK PROCESSING ITEMS & RETAIL CUTS**



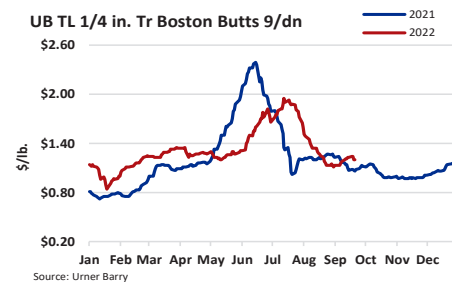
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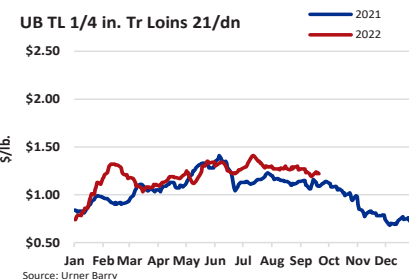
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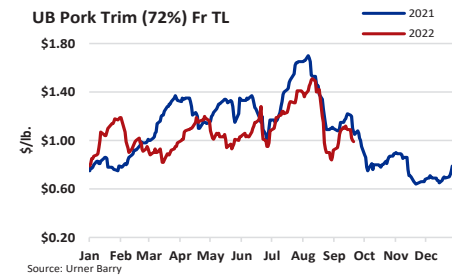
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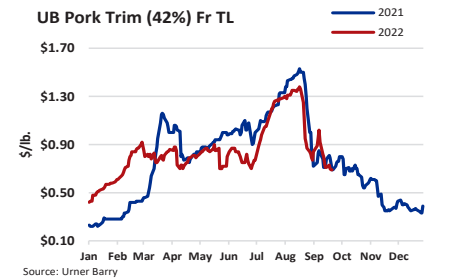
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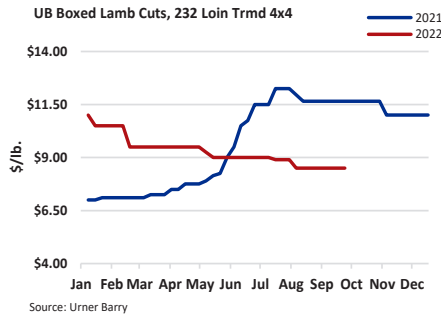
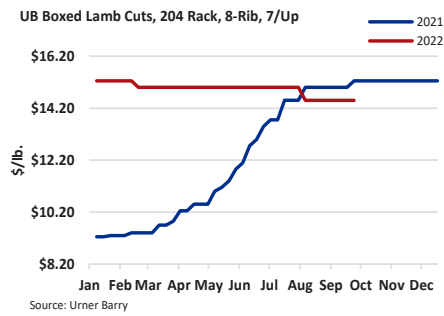
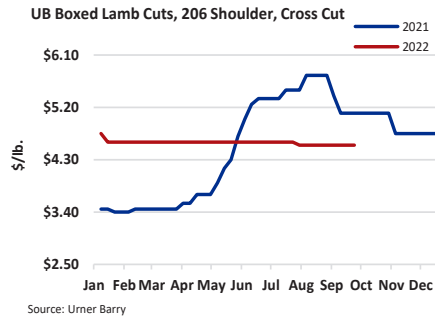
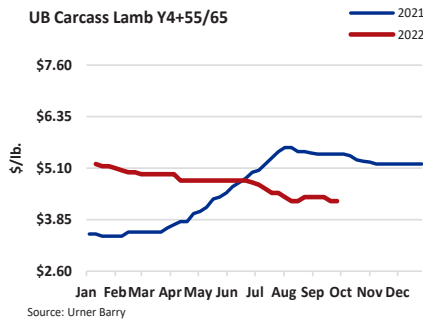


Source: Urner Barry



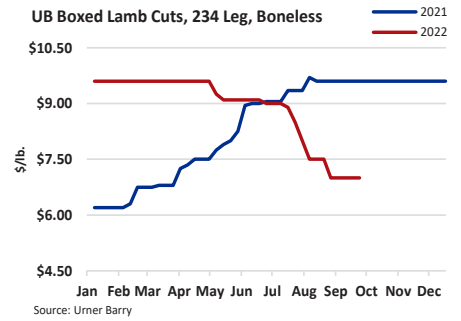
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LAMB

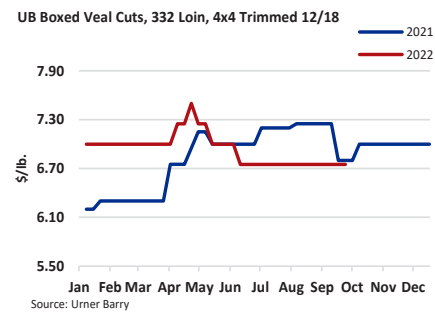
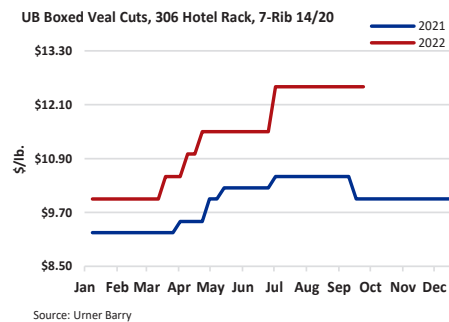
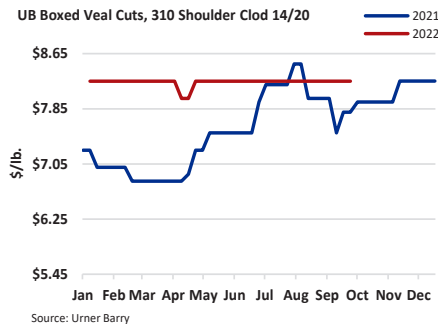
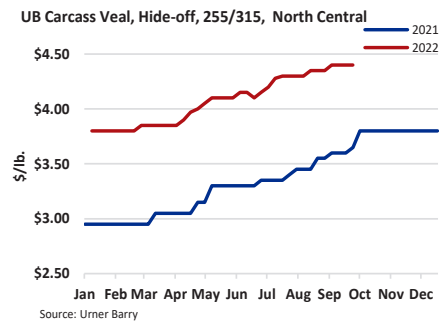


LAMB COMMENTARY

This week in domestic lamb, all carcass and boxed quotes were steady. Although there was minimal price action, there was plentiful activity that took place within Urner Barry's listed quotes. Once again, many carcasses came in on the heavy side, which retailers had dull interest for. On the food service side, demand this week was lackluster as well. Participants were quick to note that we are entering a supportive seasonal time of the year for lamb product which could help support price levels going forward. One hurdle that remained apparent was imported lamb pricing being on the lower end of where domestic pricing is. In the most recent USDA Weekly Meat Production Under Federal Inspection report, weekly sheep slaughter was at 34,000, which was 6,000 higher than last week and 3,000 less than a year ago.

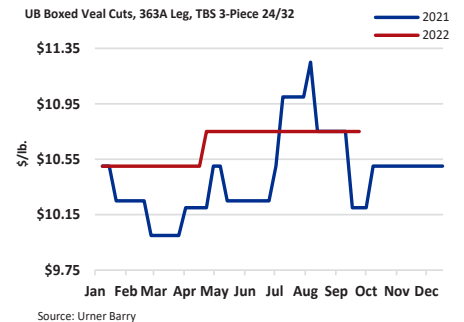


VEAL

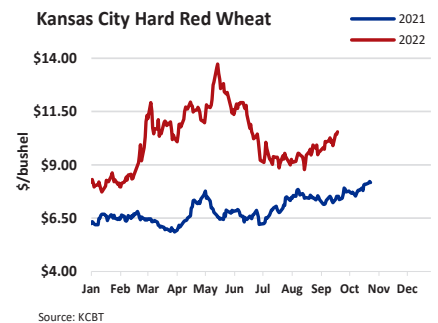
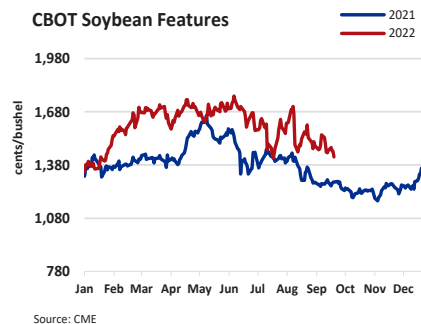
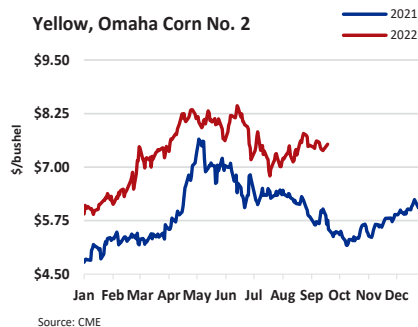


VEAL COMMENTARY

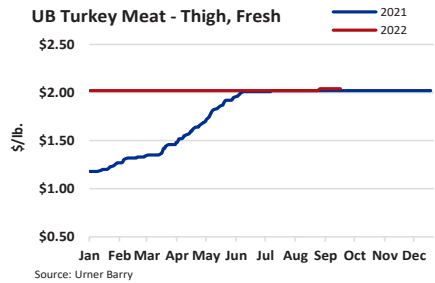
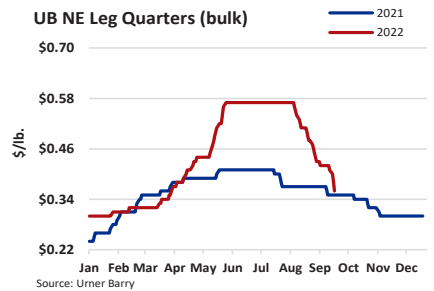
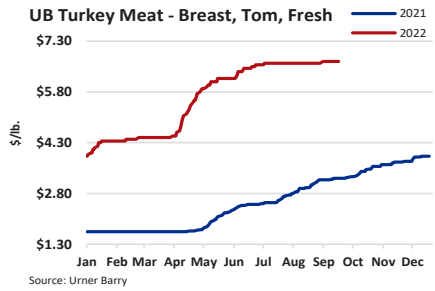
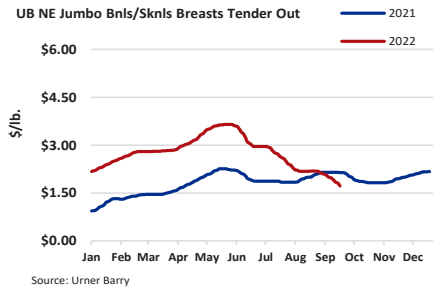
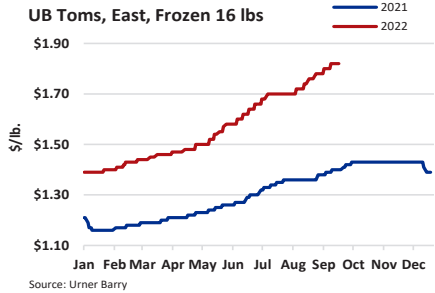
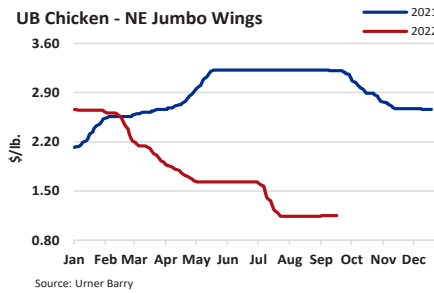
In the veal market this week, carcasses were steady in terms of pricing. Participants were quick to note that input costs, such as feed, continued to increase. For boxed cuts, loins saw modest increases while all other items that Urner Barry quotes were steady. Demand was lackluster, but prices maintained their values due to the elevated costs associated with production. Upcoming seasonal factors are anticipated to be supportive for the veal market. The USDA special fed veal slaughter was at 2,638 head for the previous week. Special fed veal weights were at 288.2 pounds for the prior week on average.



FEEDS: CORN, SOY BEAN, RED WHEAT



**POULTRY**

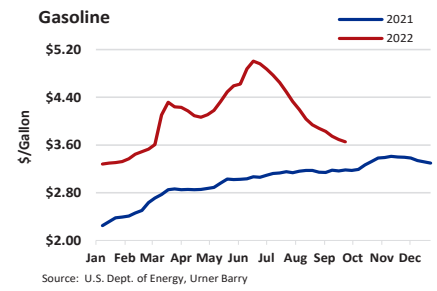
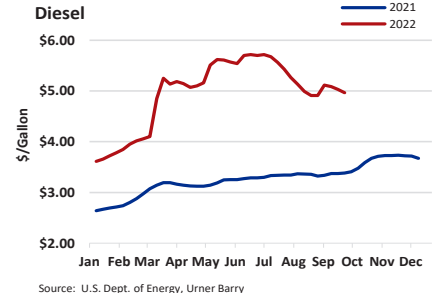


**POULTRY COMMENTARY**

Whole chickens and WOGs close the week uneventfully with most trade activity taking place within a close range of supportive price points. Bone-in breasts and front halves follow along a similar path and deserve a steady undertone overall. Supplies of boneless breasts and tenders are fully adequate. Those on the selling side lower their asked prices in an attempt to stir up additional demand. Jumbo wings are stable, while small-sized offerings struggle to find marketing gumption at listed levels. Medium-sized wings are situated somewhere between the two extremes and deserve an about steady rating. Domestic and export demand for legs, leg quarters, and drumsticks is lackluster. When negotiations ensue, lower bids are the rule. Thighs are solidly established, while leg meat and thigh meat continue to search for

support at lower price points. Whole body toms and hens remain in bullish territory. The limited availability which does happen to make it onto the street is promptly absorbed at an overage. Consumer and institutional sized breasts are well-cleared. Buyers in need struggle to source even their most immediate requirements. The undertone surrounding the parts complex hasn't waivered all that much over the past week. Drums and wings are firm and sought after. Two-joint wings, tails, livers, and necks struggle to find a home given the lack of export throughput. Tom, hen, and breeder meats are challenge for buyers to consistent dig up. Demand patterns are termed as seasonally strong. The same can be said for tenderloins, scapula, breast trim, and wing meat

**ENERGY**



**ANNOUNCEMENT**

**Urner Barry Price Reporting Receives Independent Assurance of IOSCO Compliance Achieving the Gold Standard for Price Reporting**

For over 160 years, Urner Barry has been the trusted source for benchmark pricing in the food and agriculture industry. Now, the company has successfully completed an independent review of its price reporting methodology and control procedures, confirming Urner Barry's processes are aligned with the International Organization of Securities Commissions (IOSCO) Principles for Price Reporting Agencies (PRAs).

The Type 1 assurance report, issued by auditor BDO, examined eight benchmark price indices.

*"Our clients require the highest quality information to effectively conduct their business and navigate the supply chain," said Urner Barry CEO, Joe Muldowney. "This independent assurance review reflects the pledge we undertake to provide them with robust, independent, and accurate market coverage."*

Read more about the latest quality assurance [HERE](#)

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