

Red Meat

REPORT

Friday, April 22, 2022

Number 17 - Volume 15

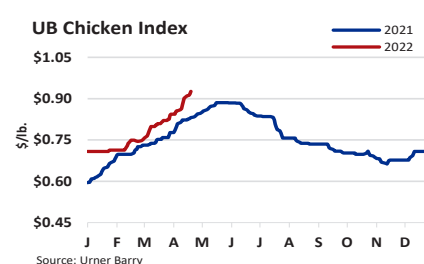
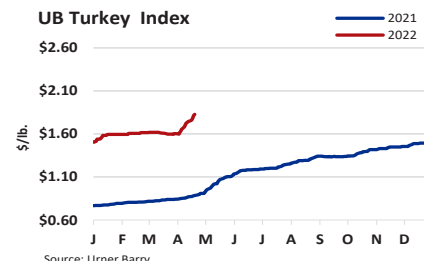
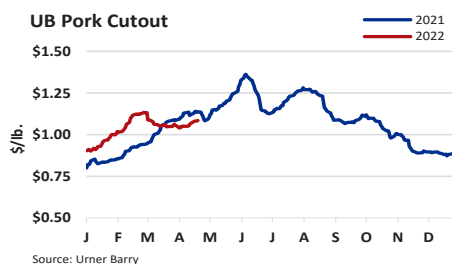
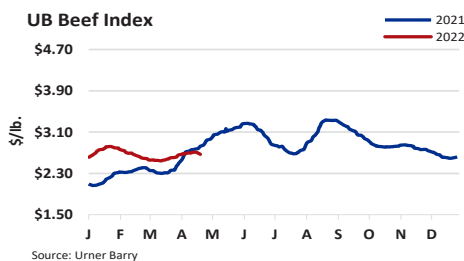
WEEKLY COMMODITY AT A GLANCE

	This Week	Last Week	Last Year
Omaha, US No 2 Yellow Corn	UNQ	8.01	6.57
CBOT Soybean	1,716.00	1,682.25	1,539.75
NYMEX Light Crude Oil	102.07	106.95	62.14
Loose Lard, Chicago Basis	0.82	0.82	0.55
Edible Tallow, Chicago Basis	UNQ	UNQ	0.60
Beef Trimmings, 90% Fresh	283.00	285.00	241.50
Beef Trimmings, 50% Fresh	125.00	135.00	100.00
Aust/NZ Blend Cow 90% EC Spot	299.00	303.00	260.00
USDA Drop Credit	0.134	0.132	0.109
112A 3 Ribeye Roll, Lip-On CH	950.00	950.00	1,200.00
116A 3 Chuck Roll, Neck-Off CH	285.00	300.00	370.00
168 3 Round, Top (Inside) CH	290.00	315.00	295.00
180 3 Strip Loin, Bnls, Ox1 CH	813.00	850.00	940.00
136 Coarse Ground 81%	300.00	275.00	200.00
189A 4 Loin, Tenderloin, PSMO CH	1,475.00	1,475.00	1,500.00
Cattle-Fax, 6-State Fed Steer Price	140.31	138.39	121.69
Select Hams 20/23	78.00	72.00	93.00
Sq Cut Bellies 14/16	185.00	185.00	200.00
1/4 Trmd. Loins 21/dn	118.00	119.00	107.00
1/4 Tr Boston Butts 9/dn	128.00	125.00	116.00
Spareribs, Light, Fresh	220.00	209.00	251.00
Fresh Pork Trim (42%)	79.00	72.00	78.00
Fresh Pork Trim (72%)	116.00	111.00	110.00
Carcass Lamb Y4+55/65	4.80	4.80	3.80
Lamb Cuts, 204 Rack, 8-Rib, 7/Up	15.00	15.00	10.50
Lamb Cuts, 206 Shoulder, Cross Cut	4.60	4.60	3.70
Lamb Cuts, 232 Loin Trmd 4x4	9.50	9.50	7.75
Lamb Cuts, 234 Leg, Boneless	9.60	9.60	7.50
Carcass Veal, Hide-off, 255/315, NC	4.00	3.97	3.05
Veal Cuts, 306 Hotel Rack, 7-Rib 14/20	11.50	11.00	9.50
Veal Cuts, 310 Shoulder Clod 14/20	8.25	8.00	6.90
Veal Cuts, 332 Loin, 4x4 Trim 12/18	7.50	7.25	6.95
Veal Cuts, 363A Leg, TBS 3-Pc 24/32	10.75	10.50	10.20

Quotes represent the high side of Friday's trading range

RIEMANN CONTRACT SETTLEMENTS

	4/22	4/15	4/8
Weekly Imported Aust/NZ Blend Cow 90% EC 7:45	3.02	3.04	3.05
Weekly Weighted Average Blended Boxed Beef Cutout Index	266.87	269.65	268.90



EST. DAILY CATTLE SLAUGHTER

	M	T	W	TH	F	S	Total
TW	112	124	125	122	119	63	665
LW	124	125	126	123	114	22	634
*LY	113	68	119	121	120	119	661

EST. DAILY HOG SLAUGHTER

	M	T	W	TH	F	S	Total
TW	353	479	483	482	463	114	2,374
LW	475	467	478	478	435	8	2,341
*LY	463	72	484	480	488	483	2,470

EST. DAILY SHEEP SLAUGHTER

	M	T	W	TH	F	S	Total
TW	9	8	6	8	4	0	35
LW	9	8	5	8	4	0	34
*LY	7	0	11	9	7	8	42

EST. DAILY CALVES SLAUGHTER

	M	T	W	TH	F	S	Total
TW	2	2	1	1	1	0	7
LW	2	2	1	1	1	0	7
*LY	2	0	1	1	1	1	6

EST. DAILY COW & BULL SLAUGHTER

	F	S	M	T	W	TH	Total
LW	4/8	4/9	4/11	4/12	4/13	4/14	155
TW	4/15	4/16	4/18	4/19	4/20	4/21	137
*LY	24	12	24	26	27	25	138

*Last Year's numbers are rounded

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.

FOREIGN EXCHANGE RATES

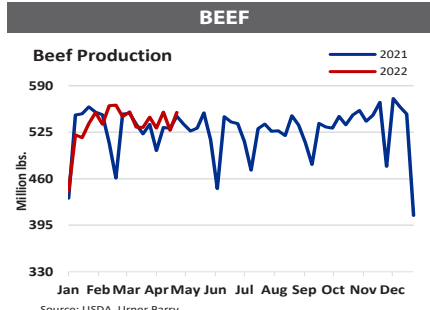
	This Week	Last Week	Last Year
Australia, Dollar	0.729	0.744	0.773
Mexico, Peso	20.321	19.910	19.835
Canada, Dollar	1.269	1.258	1.250
Japan, Yen	128.573	125.533	107.609
China, Yuan (RMB)	6.501	6.375	6.490
Brazil, Real	4.706	4.724	5.464
South Korea, Won	1,242.06	1,227.42	1,115.28
Taiwan, Dollar	29.264	29.013	28.060
European Union, Euro	1.082	1.085	1.207

COLD STORAGE STOCKS

(Pounds in Thousands)	3/31/21	2/28/22	3/31/22
Beef in Freezer, Bnls	450,662	484,417	487,169
Cuts	32,328	47,083	49,718
Total Beef	482,990	531,500	536,887
PORK & OTHER	3/31/21	2/28/22	3/31/22
Pork in Freezer, Picnics	7,564	7,688	9,538
Hams	60,776	84,248	74,055
Bellies	35,398	50,139	56,779
Loins	47,628	43,026	39,792
Spareribs	100,710	107,744	116,749
Butts	18,152	23,611	20,658
Trimmings	40,173	54,019	52,981
Other Pork in Freezer	68,012	42,164	47,096
Total	451,042	479,891	487,190
Veal in Freezer	8,557	3,010	2,682
Lamb & Mutton in Freezer	25,342	22,224	24,006
Total	33,899	25,234	26,688

Data Updated: April 22, 2022

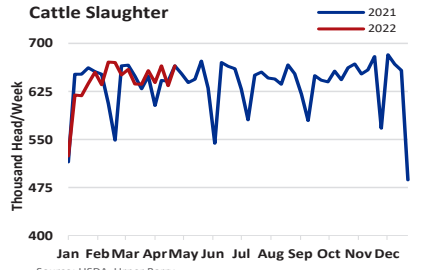
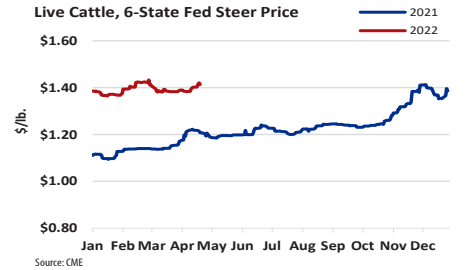
UB BEEF CUTOUT Apr-22 v. Apr-14				
	CHOICE	SELECT	NO-ROLL	CAB
Rib	-0.23%	-0.89%	0.03%	0.97%
Chuck	-2.49%	-0.23%	-0.23%	-3.02%
Round	-1.87%	-1.71%	-1.62%	0.12%
Loin	-0.86%	0.22%	-0.41%	0.10%
Brisket	-6.92%	-4.39%	-1.72%	-5.10%
Plate	-1.88%	-1.88%	-1.88%	-1.97%
Flank	-1.37%	-1.42%	-1.44%	-1.36%
Total	-1.62%	-0.81%	-0.70%	-0.81%



BEEF COMMENTARY

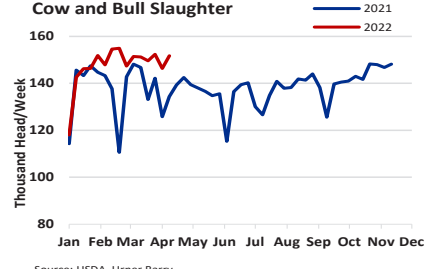
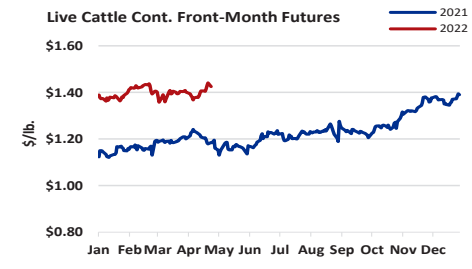
The boxed beef market got off to a slow start this week upon exiting the holiday weekend with participants taking a bit longer to assess inventories. Towards the middle of the week, we saw trade begin to pick up and it appeared buyers were in the driver seat as discounts were seen across the primal. It seemed inflation concerns were growing which had swayed buyers clear of taking on larger positions around premium cuts. Buyers have begun to step in for Cinco de Mayo favorites which appeared to offer support to thin meats throughout the week. With that said, these narrow areas of support were unable to sustain the cutout which shed about 1% from the beginning of the week.

LIVE CATTLE: Cattle prices overall this week are steady to \$1 higher in the South with the bulk of trade at \$140.00/cwt live. In the North, prices are \$3.00 to \$4.00 higher with the bulk around \$146.00/cwt live and \$230.00/cwt dressed.



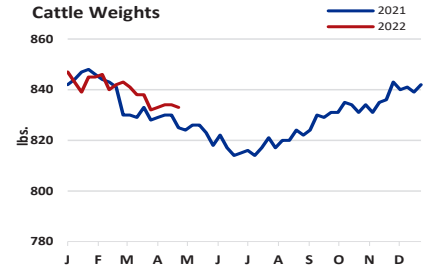
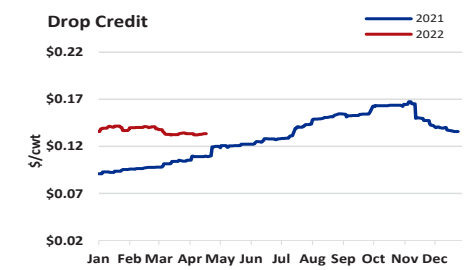
SLAUGHTER & BEEF PRODUCTION: The weekly federally inspected slaughter was 665,000 head compared to 634,000 head last week. Live weights ended the week at 1380 pounds down 4 pounds on the week. Dressed weights were 833 pounds, down one pound from last week.

RIBS: Items within the rib complex were range bound this week with what appeared to be limited interest as Easter is now behind us. Bullish tones for these items were subdued by inflation concerns as participants are becoming more conscious about what the consumer may be willing to spend. Supplies continued to look fully adequate for current needs which has buyers confidently sitting on the sidelines.



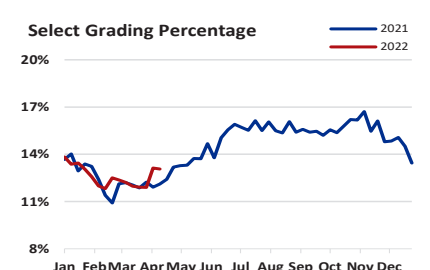
CHUCKS: The chuck complex seemed to bounce within a range before taking on the bulk of discounting mid-week. A general weakness was seen across multiple items including chuck rolls, clods, and tenders. Supplies appeared to be approaching burdensome levels as buyers continued to be absent from the market. With the factors noted above this made negotiations a bit more one sided in recent sessions.

ROUNDS: Much of the chuck tone could be carried over into the round complex as there was also a broad range of discounting seen. Insides, flats, and eyes all saw lower trade taken as these supplies have been fully adequate for a couple weeks now. It appeared deli demand has not kicked into high gear which has added pressure to these items.



LOINS: The loin complex continued to be stagnant once more as little change was seen throughout. With grilling stalled for another weekend this appeared to have caused a pause in the need for product. The sirloin appeared to gain more attention this week as Cinco de Mayo is around the corner and participants are taking a closer look at value cuts as inflation concerns remain high.

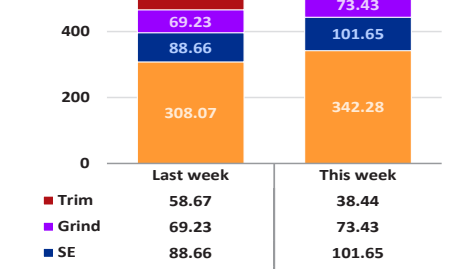
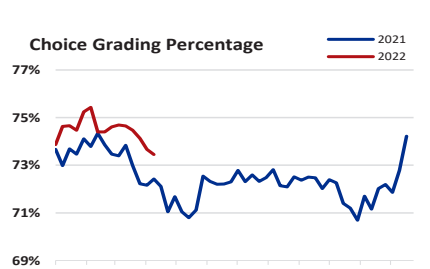
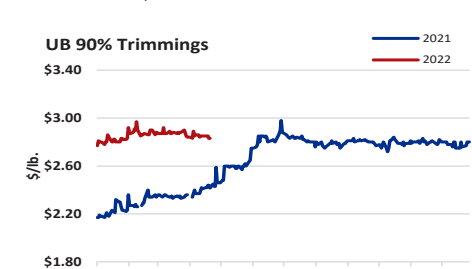
GROUND BEEF: There were no notable changes within the coarse grinds complex as weather conditions have put a damper on turning grills on. It appeared there was some irregularity between packers as supplies varied widely plant to plant.



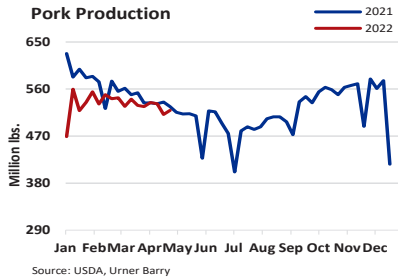
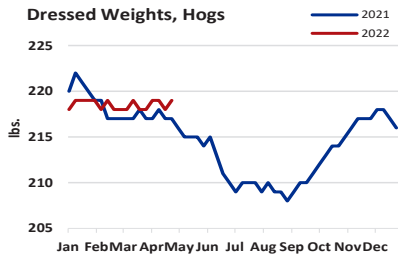
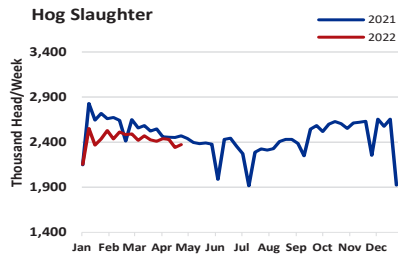
UB BEEF CUTOUT-CH/SE SPREAD (\$/cwt)

	M	T	W	TH	F
TW	15.24	15.13	14.95	14.98	14.11
*LW	14.32	13.75	15.81	16.46	-

**Last Week's numbers are rounded*

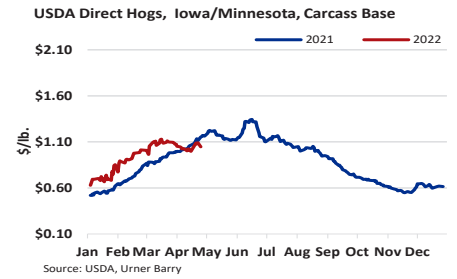
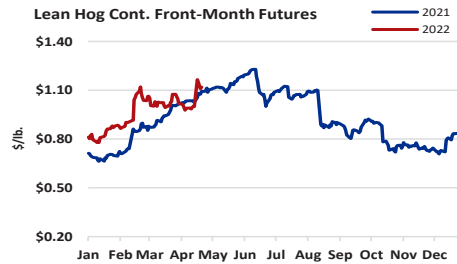


PORK PRODUCTION



LIVE HOGS & CUTOUT

PORK CUTOUT	Apr-14	Apr-22	Change
Loin	102.750	104.090	1.340
Butt	109.100	108.750	-0.350
Picnic	68.850	70.770	1.920
Sparerib	198.750	206.240	7.490
Ham	80.040	80.780	0.740
Belly	183.000	186.640	3.640
Cutout Value	106.722	108.435	1.713



PORK COMMENTARY

This week, the reduced hog slaughter and production, HPAI, supportive seasonal factors as we head into spring, and mixed export demand influenced pork trade. Urner Barry's pork carcass cutout increased by 0.55 percent during the week. Estimates of margins for outside purchasers of hogs on Thursday were -\$6.97/head while margins for vertically integrated packers were estimated at \$40.21/head.

PORK PRODUCTION: Pork production for the week ending 4/23/22 was estimated to be 519.2 million pounds. This was a 1.5 percent increase from last week and a 3.0 percent decline from a year ago. Live hog weights averaged 294 pounds for the week, one pound heavier than last week and 4 pounds heavier than a year ago.

GREEN MEATS: In the green meat complex, hams were mixed this week. Bone-in cuts continued to see strong export demand from Mexico as well as active domestic demand. On the other hand, boneless hams were barely steady to weak as demand was called dull. Bellies were unsettled this week and traded with heightened volatility as food service demand for bacon was very strong while retail demand continued to disappoint amid consumer pushback at elevated price levels. In trim, 42s and 72s were full steady on grilling item demand as we approach springtime while boneless picnics traded mostly sideways.

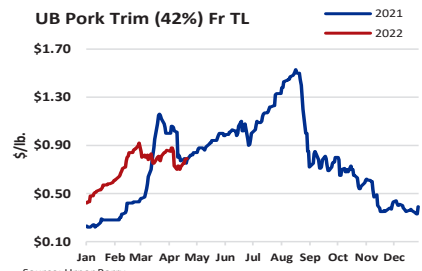
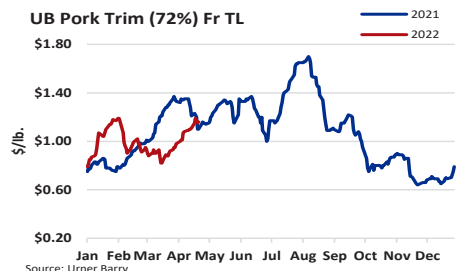
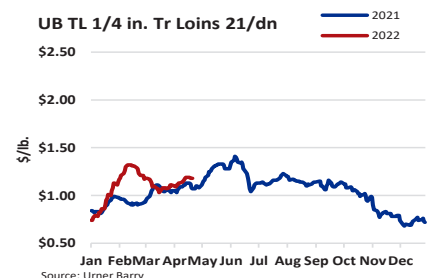
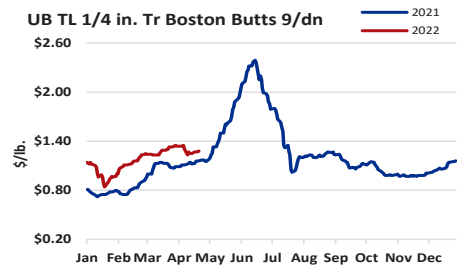
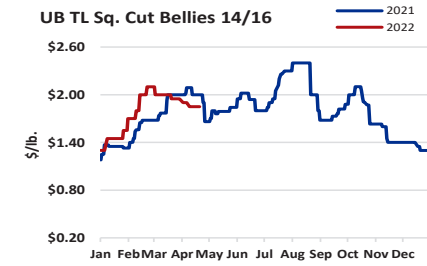
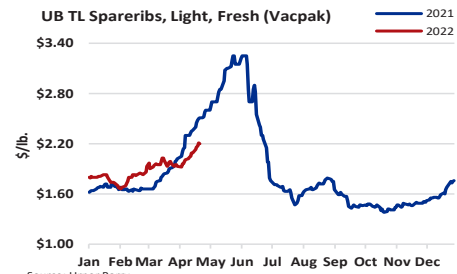
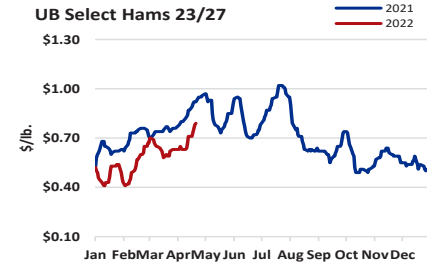
HAMS: Bone-in ham values closed \$6.50/cwt to \$8.00/cwt stronger, while boneless cuts were \$8.00/cwt to \$15.00/cwt lower.

BELLIES: Skinless bellies were \$2.50/cwt lower to \$1.00/cwt firmer.

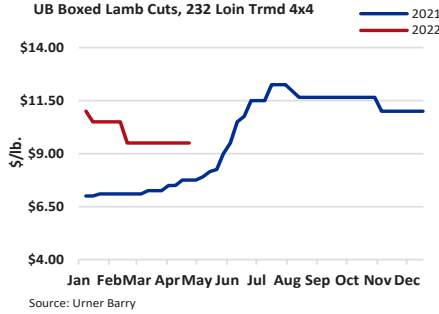
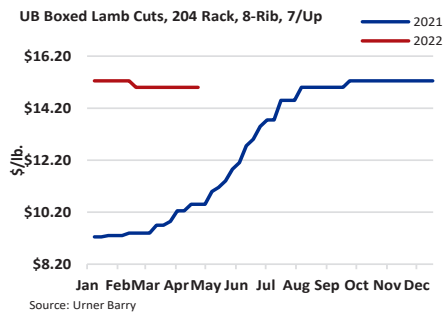
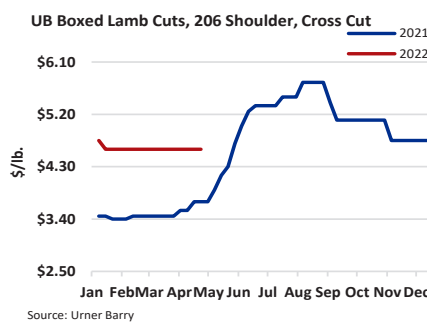
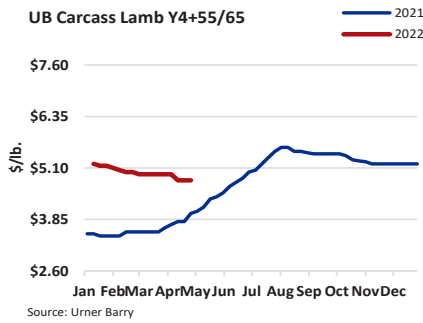
TRIMMINGS: 42s were \$4.50/cwt higher and 72s were \$1.00/cwt stronger. Meanwhile, boneless picnics were \$0.50/cwt weaker.

RETAIL: 1/4" bone-in loins were \$1.00/cwt lower while 1/8" loins were \$1.50/cwt stronger. Boneless strap-on loins were \$7.00/cwt higher and boneless strap-off loins were \$1.50/cwt firmer. Bone-in sirloins were \$2.00/cwt higher while boneless sirloins were \$1.50/cwt stronger. Tenderloins were \$5.00/cwt higher for the week. 1/4" bone-in butts were \$1.00/cwt stronger and boneless butts were \$6.50/cwt weaker. Light and medium spareribs were \$6.00/cwt and \$3.50/cwt higher, respectively.

PORK PROCESSING ITEMS & RETAIL CUTS

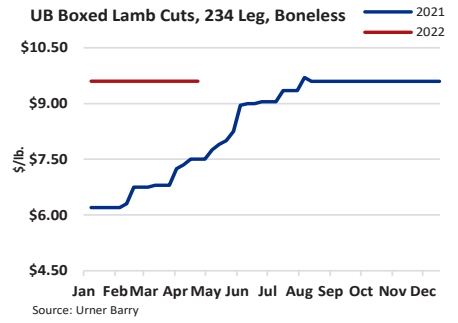


LAMB

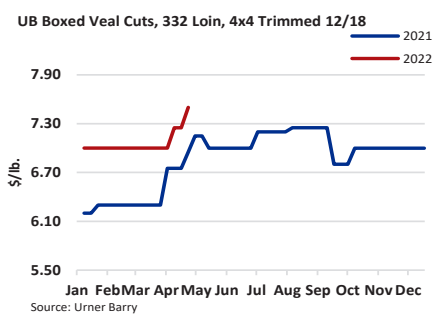
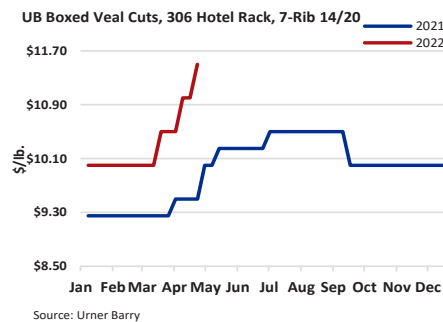
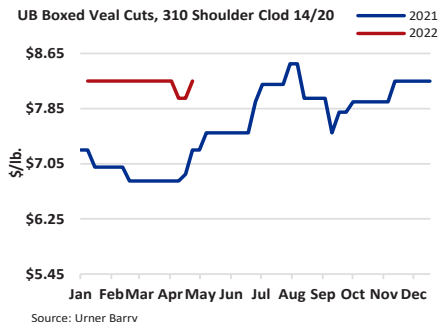
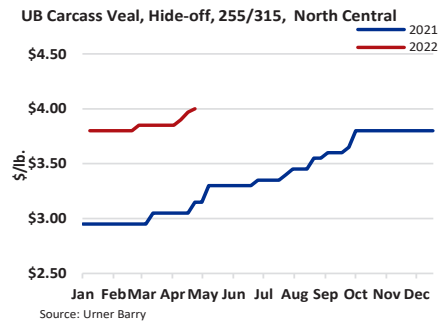


LAMB COMMENTARY

Lamb carcasses and domestic boxed cuts were unchanged and steady with the prior week's quotations. Demand for lamb items were strong for Easter, however price action both the week before and after the holiday was largely uneventful. The most recent USDA Weekly Meat Production Under Federal Inspection report weekly sheep slaughter was at 34,000, which was 5.55% under the previous week, and 22.7% lower than the equivalent week last year.

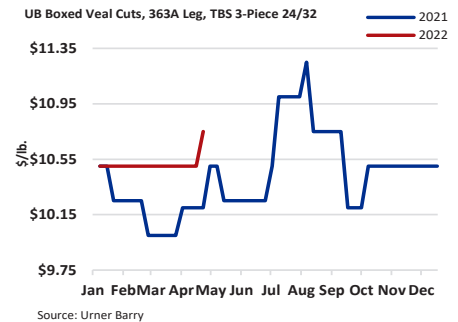


VEAL

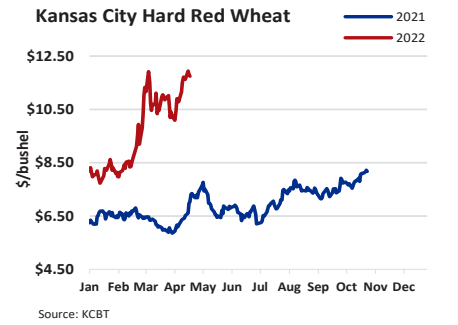
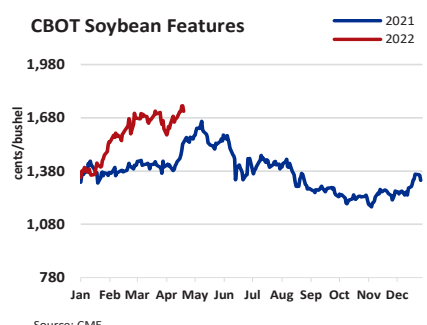
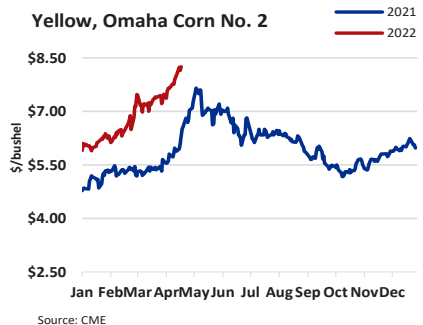


VEAL COMMENTARY

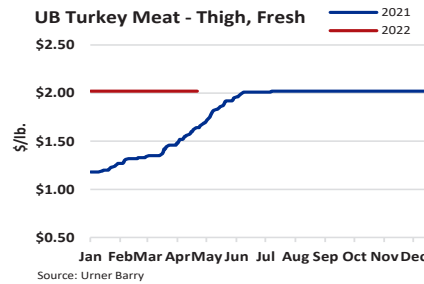
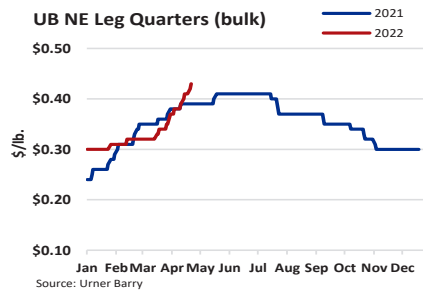
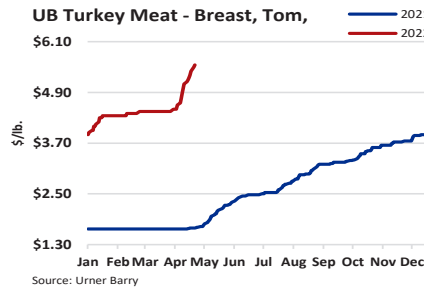
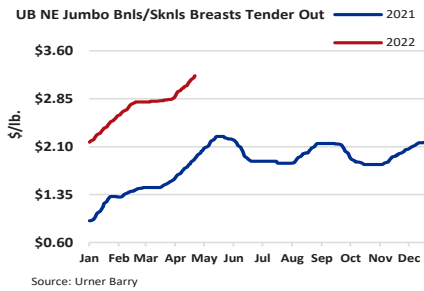
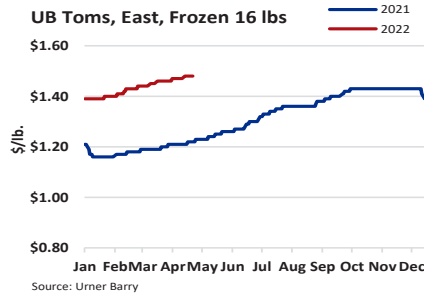
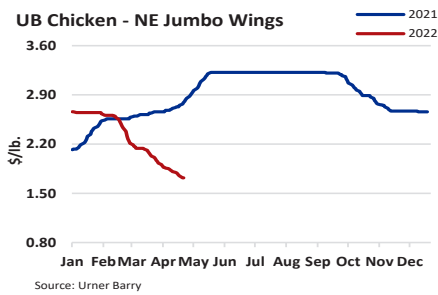
Veal carcasses were full steady this week. A majority of boxed veal cuts were firm. Racks, boneless legs, foreshanks, and hindshanks traded notably higher as demand was strong. The USDA Special Fed Veal Slaughter was at 2,867 head; that is roughly an 8.5% increase when compared to the previous week. Special Fed Veal Dressed Weights came in at 285.9 pounds, which is up 4.1 pounds for that same period.



FEEDS: CORN, SOY BEAN, RED WHEAT



POULTRY



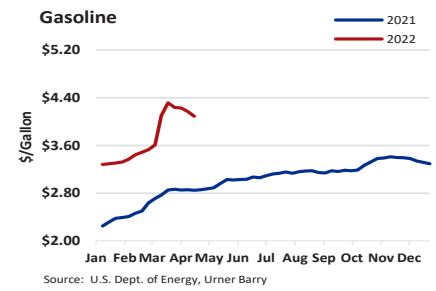
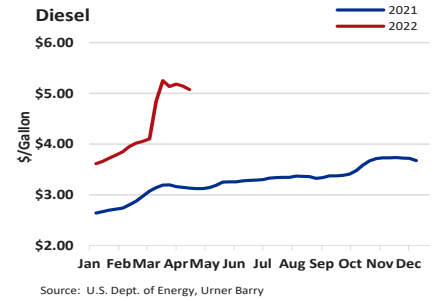
POULTRY COMMENTARY

Supplies remain minimal for most key lines, with the exception of wings. Whole chickens and WOGs, as well as breasts and front halves, remain tight and held for no less than full market and in some cases higher. A similar scenario is in play for boneless breasts, tenders, chunk, and trim meats. Jumbo wings continue to struggle with finding consistent buyer interest but were noted as improving here at week's end. Small and medium are reported lower by most players. Any back half line is held with supreme confidence. All lines were pushed higher due to ongoing demand and tight supplies. MSC is notable as well with seasonal buying interest soaking up all offerings at up money.

Whole turkeys and all bone-in breasts continue to be minimally offered and held with supremely

strong hands. Sellers of whole birds in particular are less than inclined to offer product due to ongoing HPAI-related uncertainty. In parts, most lines remain unsettled due to export trade restrictions. Fresh drums, tom two joints, tails, and gizzards all felt pressure and were notched lower this week. Tom whole wings and necks were mostly maintained at steady levels. All breast meat and tenders continue to be vastly short of buyer needs and inked with regularity at sharply higher levels. The balance of the complex is likewise actively pursued but is inked within a close range of our quotations. MST demand remains robust with most buyers noting little to no offerings despite higher bids in hand.

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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