

Friday, August 26, 2022

Number 36 - Volume 15

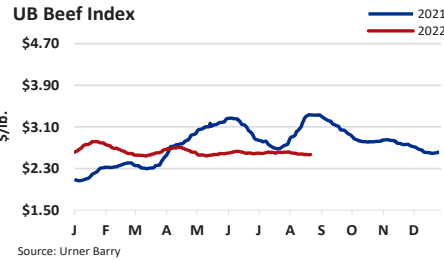
WEEKLY COMMODITY AT A GLANCE

	This Week	Last Week	Last Year
Omaha, US No 2 Yellow Corn	UNQ	7.41	5.99
CBOT Soybean	1,605.25	1,488.75	1,298.75
NYMEX Light Crude Oil	93.06	90.77	68.50
Loose Lard, Chicago Basis	UNQ	UNQ	0.74
Edible Tallow, Chicago Basis	UNQ	UNQ	0.750
Beef Trimings, 90% Fresh	271.00	273.00	279.00
Beef Trimings, 50% Fresh	106.00	104.00	148.00
Aust/NZ Blend Cow 90% EC Spot	263.00	264.00	279.00
USDA Drop Credit	0.137	0.136	0.154
112A 3 Ribeye Roll, Lip-On CH	950.00	950.00	1,475.00
116A 3 Chuck Roll, Neck-Off CH	330.00	330.00	500.00
168 3 Round, Top (Inside) CH	280.00	280.00	405.00
180 3 Strip Loin, Bnls, 0x1 CH	825.00	880.00	875.00
136 Coarse Ground 81%	250.00	250.00	275.00
189A 4 Loin, Tenderloin, PSMO CH	1,175.00	1,175.00	1,800.00
Cattle-Fax, 6-State Fed Steer Price	145.03	143.35	123.73
Select Hams 20/23	91.00	105.00	62.00
Sq Cut Bellies 14/16	175.00	195.00	200.00
1/4 Trmd. Loins 21/dn	127.00	128.00	113.00
1/4 Tr Boston Butts 9/dn	113.00	127.00	126.00
Spareribs, Light, Fresh	151.00	153.00	177.00
Fresh Pork Trim (42%)	91.00	138.00	100.00
Fresh Pork Trim (72%)	93.00	142.00	110.00
Carcass Lamb Y4+55/65	4.51	4.51	5.61
Lamb Cuts, 204 Rack, 8-Rib, 7/Up	14.50	14.50	15.00
Lamb Cuts, 206 Shoulder, Cross Cut	4.55	4.55	5.75
Lamb Cuts, 232 Loin Trmd 4x4	8.50	8.50	11.65
Lamb Cuts, 234 Leg, Boneless	7.00	7.50	9.60
Carcass Veal, Hide-off, 255/315, NC	4.35	4.35	3.55
Veal Cuts, 306 Hotel Rack, 7-Rib 14/20	12.50	12.50	10.50
Veal Cuts, 310 Shoulder Clod 14/20	8.25	8.25	8.00
Veal Cuts, 332 Loin, 4x4 Trim 12/18	6.75	6.75	7.25
Veal Cuts, 363A Leg, TBS 3-Pc 24/32	10.75	10.75	10.75

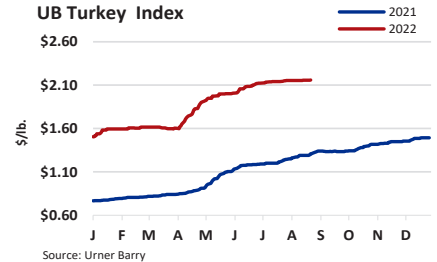
Quotes represent the high side of Friday's trading range

RIEMANN CONTRACT SETTLEMENTS

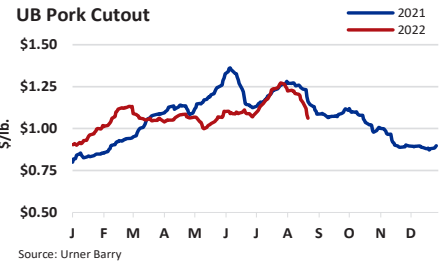
	8/26	8/19	8/12
Weekly Imported Aust/NZ Blend Cow 90% EC 7:45	2.64	2.64	2.64
Weekly Weighted Average Blended Boxed Beef Cutout Index	257.82	257.27	256.84



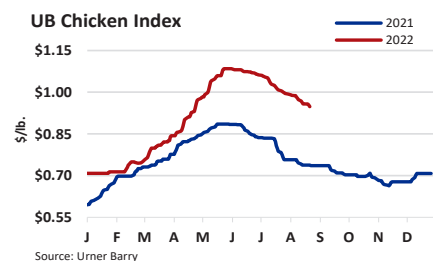
Source: Urner Barry



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EST. DAILY CATTLE SLAUGHTER

	M	T	W	TH	F	S	Total
TW	125	126	124	124	123	56	678
LW	121	126	126	126	122	40	661
*LY	117	120	114	113	116	73	653

EST. DAILY HOG SLAUGHTER

	M	T	W	TH	F	S	Total
TW	478	480	480	476	451	28	2,393
LW	428	476	478	474	467	58	2,381
*LY	439	473	473	473	463	110	2,431

EST. DAILY SHEEP SLAUGHTER

	M	T	W	TH	F	S	Total
TW	8	7	7	6	4	0	32
LW	8	7	7	7	4	0	33
*LY	9	6	7	6	5	0	34

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	1	2	2	1	2	0	8

EST. DAILY COW & BULL SLAUGHTER

	F	S	M	T	W	TH	Total
LW	8/12	8/13	8/15	8/16	8/17	8/18	Total
	28	4	27	27	28	30	144
TW	8/19	8/20	8/22	8/23	8/24	8/25	Total
	26	6	27	27	28	28	142
*LY	25	9	24	27	27	24	136

*Last Year's numbers are rounded

FOREIGN EXCHANGE RATES

	This Week	Last Week	Last Year
Australia, Dollar	0.699	0.690	0.732
Mexico, Peso	19.889	20.169	20.118
Canada, Dollar	1.291	1.298	1.260
Japan, Yen	136.701	136.895	109.707
China, Yuan (RMB)	6.859	6.814	6.461
Brazil, Real	5.075	5.177	5.167
South Korea, Won	1,331.71	1,335.45	1,156.97
Taiwan, Dollar	30.189	30.102	27.648
European Union, Euro	1.003	1.006	1.183

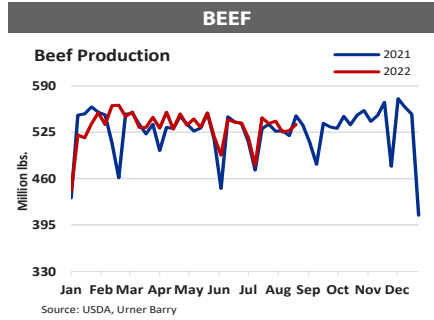
COLD STORAGE STOCKS

(Pounds in Thousands)	7/31/21	6/30/22	7/31/22
Beef in Freezer, Bnls	371,150	469,017	456,861
Cuts	29,693	47,789	53,980
Total Beef	400,843	516,806	510,841
PORK & OTHER	7/31/21	6/30/22	7/31/22
Pork in Freezer, Picnics	4,631	8,049	6,625
Hams	152,598	139,283	151,319
Bellies	27,778	53,183	42,443
Loins	31,317	35,240	33,024
Spareribs	61,051	108,642	108,181
Butts	11,101	17,440	14,596
Trimming	35,904	52,431	52,148
Other Pork in Freezer	52,500	51,599	51,750
Total	441,664	538,720	530,097
Veal in Freezer	5,409	2,705	2,777
Lamb & Mutton in Freezer	21,010	22,813	25,756
Total	26,419	25,518	28,533

Data Updated: August 22, 2022

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

UB BEEF CUTOUT Aug-26 v. Aug-19				
	CHOICE	SELECT	NO-ROLL	CAB
Rib	1.66%	1.97%	2.85%	0.75%
Chuck	0.63%	-0.67%	-0.54%	0.22%
Round	1.97%	0.20%	-0.27%	-0.71%
Loin	-2.82%	-0.63%	-0.57%	-1.94%
Brisket	5.06%	3.82%	9.92%	3.74%
Plate	-0.90%	-0.90%	-0.90%	-0.89%
Flank	1.43%	0.07%	-0.65%	0.32%
Total	0.16%	0.14%	0.42%	-0.41%



BEEF COMMENTARY

Trade channels were maintained for the better part of the week. Counterparties have put themselves in good positions with forward sales into this period, so the market had a semblance of balance almost throughout. Even as offerings are thin, buying patterns were a bit more cautious heading into the fall. The most vulnerability was in the loin complex which saw some easing from seasonal highs. Briskets were able to advance behind smokers gearing up for fall.

LIVE CATTLE: Sales prices this week have been steady to \$1 higher in the South at mostly \$142.00/cwt live and steady to \$2.00/cwt lower in the North at \$145.00/cwt to \$148.00/cwt live. Dressed sales were down \$1-\$2.00/cwt between \$232.00/cwt to \$233.00/cwt.

SLAUGHTER & BEEF PRODUCTION: The weekly federally inspected slaughter was 678,000 head, up from 661,000 head last week. Live weights ended the week three pounds higher at 1346 pounds up one pound. Dressed weights were also the same higher at 815 pounds.

RIBS: The rib market was higher again this week, albeit only slightly. What started out as a flat market started to build momentum towards the end of the week. There was continuous positioning for the year-end holidays but what really developed was spot interest for September as supplies were somewhat more manageable given the previously mentioned forward sales.

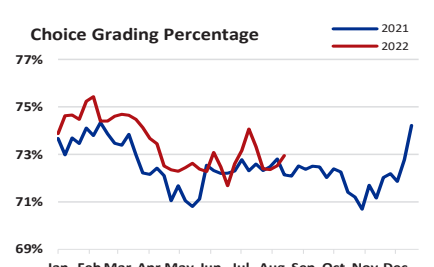
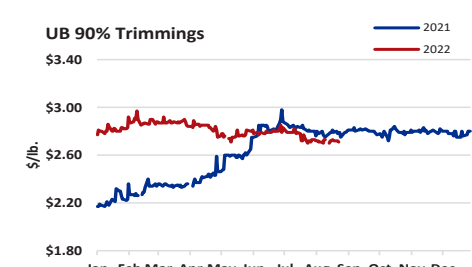
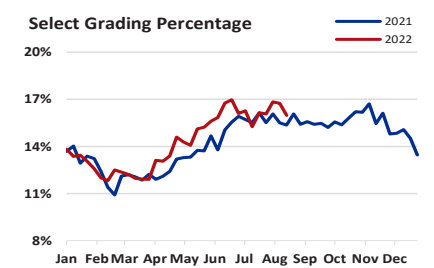
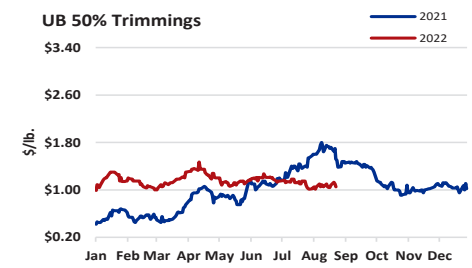
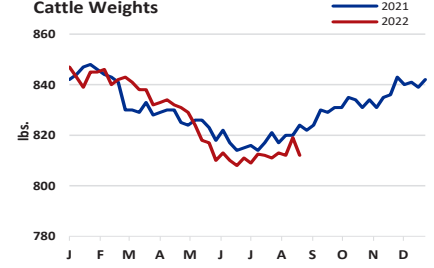
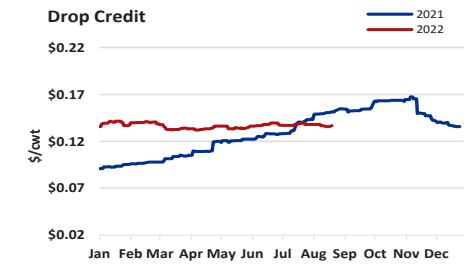
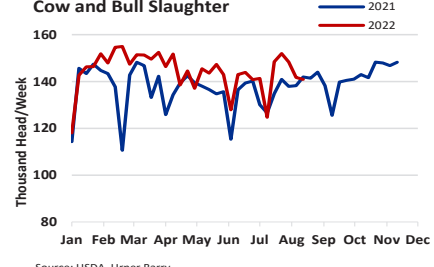
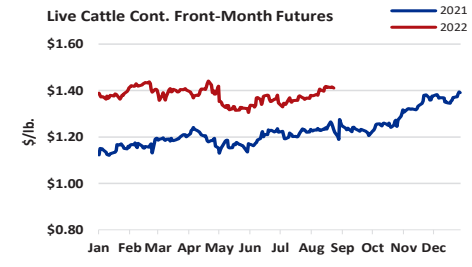
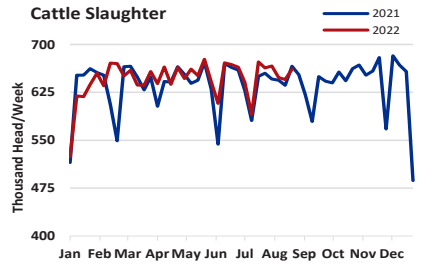
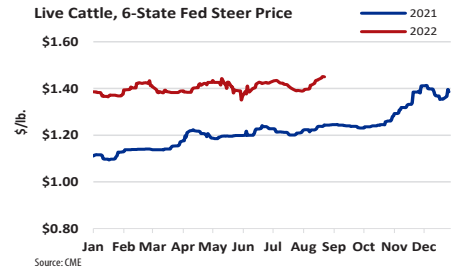
CHUCKS: Chucks were mixed with choice product marginally better week-to-week and select slightly lower. But it was more about individual items than anything else. Overall, grinding interest has waned so a level of support has been taken out of the market. Losses were notable in most steak items from this area. The chuck tender did see some strength.

ROUNDS: Price action was a mixed bag in this area much like chucks were. If you looked at the primal round cutout, it would tell you that prices ended the week in a near similar fashion as last. But drilling down gives much more insight. Large gains were seen on flats, eyes, and bottoms. Inside rounds and peeled knuckles balanced with weakness.

LOINS: The bloom finally came off the rose here as prices started to correct from recent highs. This is not to say all is lost as many items still sit at seasonal highs for end of summer. Losses started to accelerate, however, into the end of the week maybe foretelling a sharper sell-off is imminent. High single digit percent losses were seen on most strips and short loins into mid double-digit losses for more expensive items like tenderloins and tenderloin butts.

GROUND BEEF: Losses were seen here as well. Consumers are trading down but the weeks long rally ran out of steam. There was a slight shift from grinders buying muscle cuts, another supporting factor in price reduction.

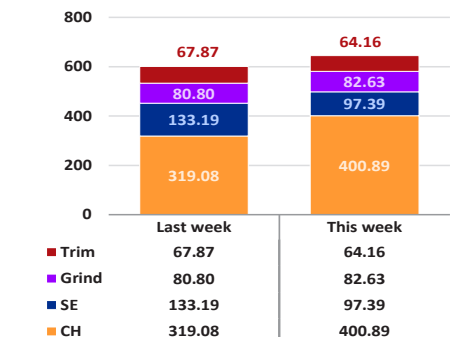
BONELESS BEEF: The market for fresh 90s was mixed this week. Prices fluctuated from region to region. Supply and demand appeared to be generally in balance to end the week. Fresh 50s started the week off strong but prices did trend a little lower later in the week. Scheduling surrounding Labor Day weekend is still causing some uncertainty in these markets.



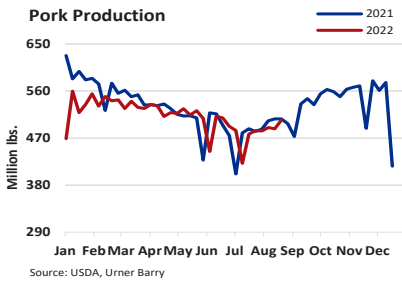
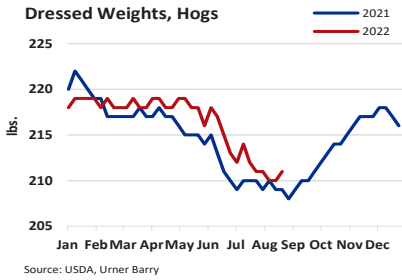
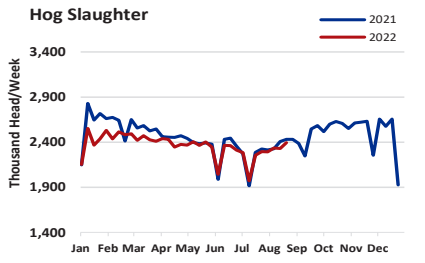
UB BEEF CUTOUT-CH/SE SPREAD (\$/cwt)					
	M	T	W	TH	F
TW	26.60	25.35	25.58	25.55	25.85
*LW	26.26	25.57	26.01	26.68	25.77

*Last Week's numbers are rounded

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

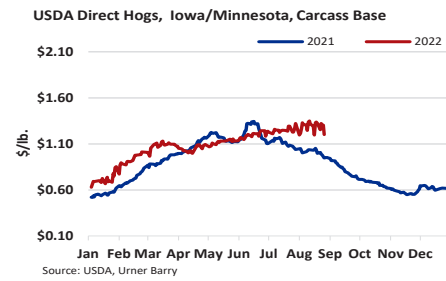
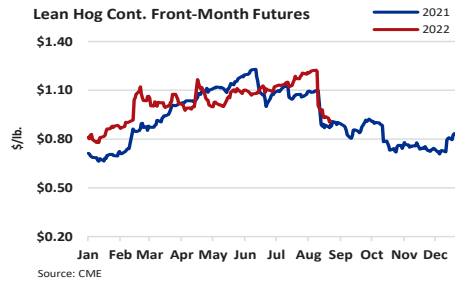


PORK PRODUCTION



LIVE HOGS & CUTOUT

PORK CUTOUT	Aug-19	Aug-26	Change
Loin	108.920	102.020	-6.900
Butt	111.490	97.950	-13.540
Picnic	93.060	83.340	-9.720
Sparerib	142.730	141.760	-0.970
Ham	106.990	95.740	-11.250
Belly	188.230	157.400	-30.830
Cutout Value	116.501	104.35	-12.151



PORK COMMENTARY

This week in the pork market, trade was mainly influenced by the increased hog slaughter resulting in ample supplies, declining seasonal demand, and pre-holiday influences. Urner Barry's pork carcass cutout decreased by 10.43 percent during the week. Estimates of margins for outside purchasers of hogs on Thursday were -\$39.86/head while margins for vertically integrated packers were estimated at \$5.38/head.

PORK PRODUCTION: Pork production for the week ending 8/27/2022 was estimated to be 503 million pounds. This was 0.3 percent lower than last week and a 0.7 percent decrease from a year ago. Live hog weights averaged 282 pounds for the week, which was 1 pound lighter than last week and 2 pounds heavier than a year ago.

GREEN MEATS: In the green meat complex, bone-in hams, bellies, and trim were weak. Bone-in hams were mostly influenced by a "high prices kill high prices" situation where their recent lofty levels rivaled only those of 2014. Pushback on prices from both export and domestic partners for bone-in hams was noted. Bellies and trim both had an ample supply and weakening seasonal interest for bacon and grilling items. Participants also began to prepare for the upcoming holiday weekend that will take place next week, resulting in supply and demand varying by location. Sharp declines were witnessed for both categories this week.

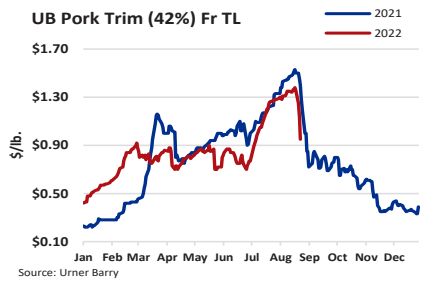
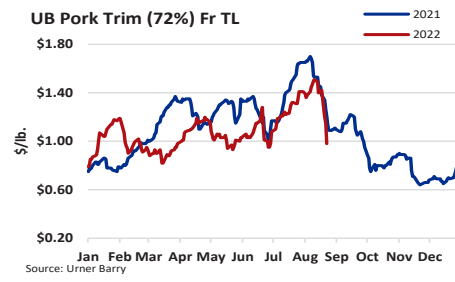
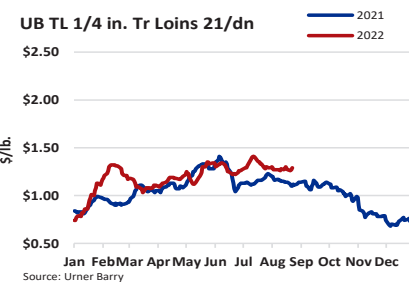
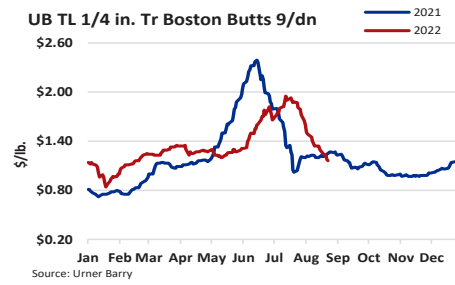
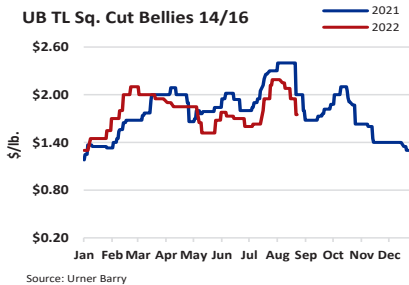
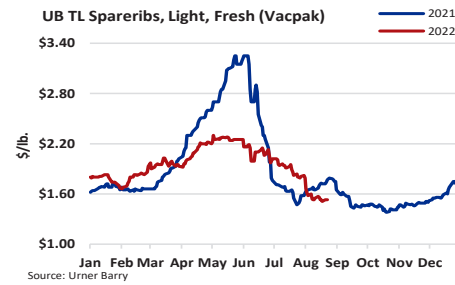
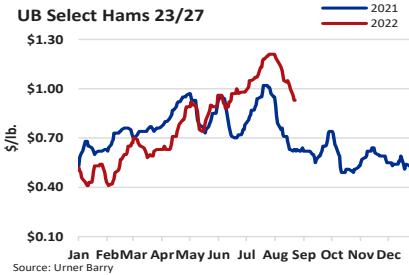
HAMS: Bone-in ham values were \$12.00/cwt to \$14.00/cwt weaker while boneless cuts were generally unchanged.

BELLIES: Skinless bellies were \$40.00/cwt to \$49.00/cwt weaker.

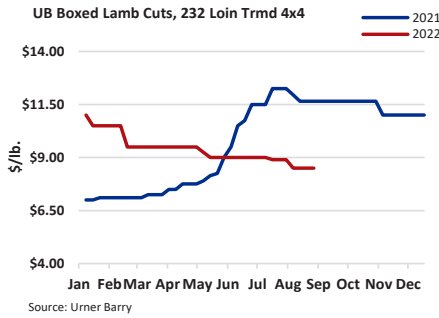
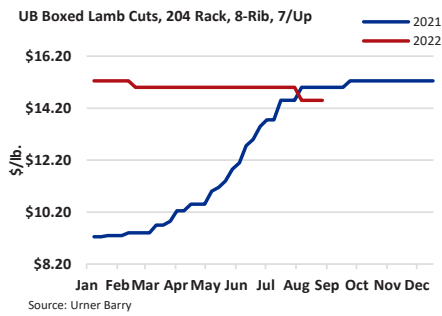
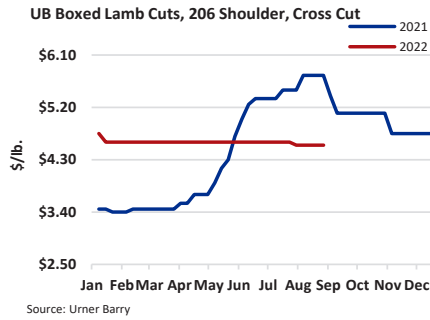
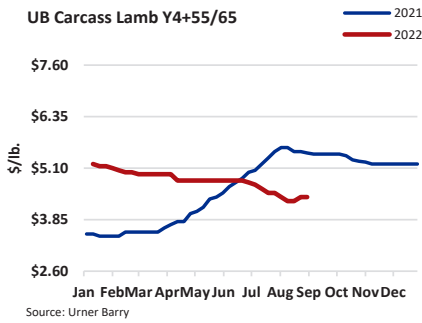
TRIMMINGS: 42s were \$47.50/cwt weaker while 72s were \$51.00/cwt weaker. Meanwhile, boneless picnics were \$26.00/cwt lower.

RETAIL: 1/4" bone-in loins were \$1.00/cwt weaker while 1/8" loins were \$3.00/cwt lower. Boneless strap-on loins were flat while boneless strap-off loins decreased \$8.00/cwt. Bone-in sirloins were \$1.00/cwt weaker while boneless sirloins increased \$3.00/cwt. Tenderloins decreased \$20.00/cwt throughout the week. 1/4" bone-in butts were down \$14.50/cwt while boneless butts also declined \$14.00/cwt. Light spareribs decreased \$2.50/cwt while medium spareribs increased \$0.50/cwt.

PORK PROCESSING ITEMS & RETAIL CUTS

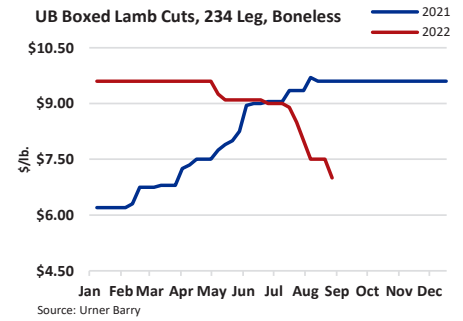


LAMB

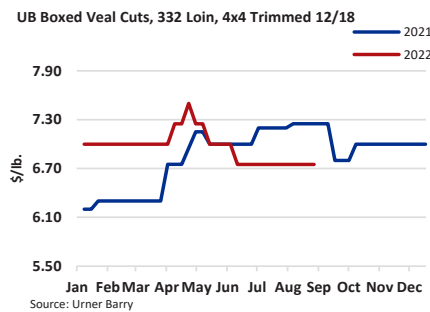
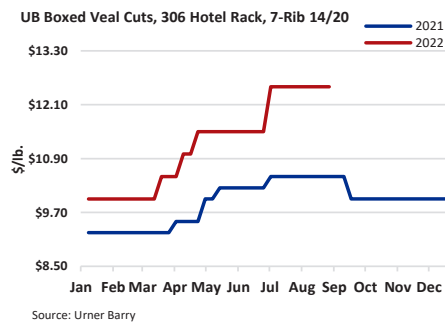
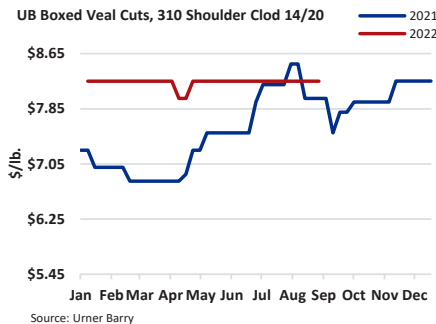
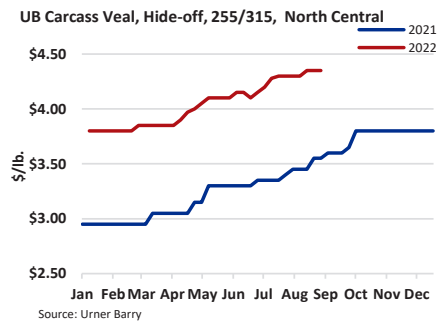


LAMB COMMENTARY

Domestic lamb consisted of minimal changes this week, though carcasses were mixed. Light carcasses saw gradual increases to their price levels as weights increased, gradually limiting the supply of lighter product. On the other hand, heavy carcasses saw decreases on fully adequate availability and lackluster demand. Boxed cuts were generally unchanged this week. In the most recent USDA Weekly Meat Production Under Federal Inspection report, weekly sheep slaughter was at 33,000 head, which was even with last week and 1,000 more than a year ago. Weights were at 134 pounds which is 2 pounds heavier than last week and 17 pounds heavier than a year ago.

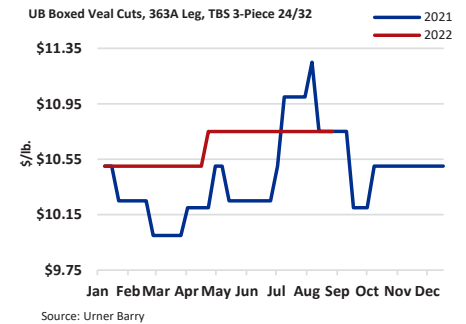


VEAL

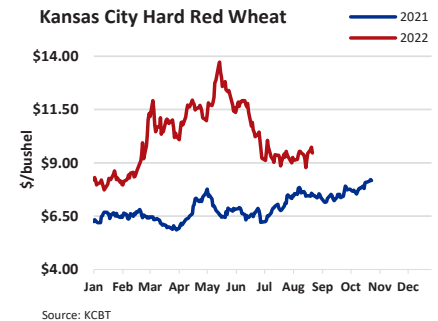
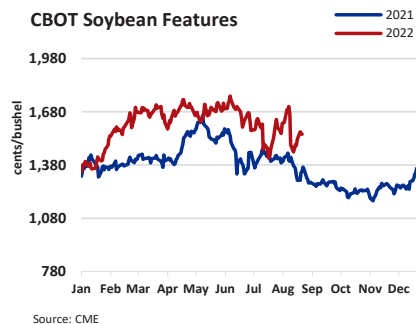
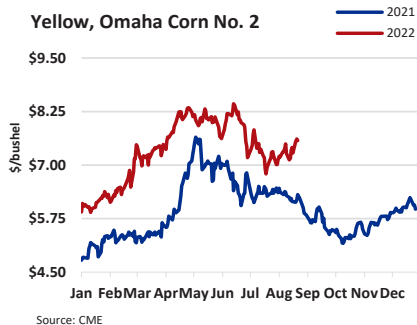


VEAL COMMENTARY

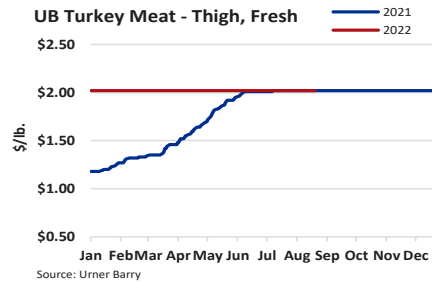
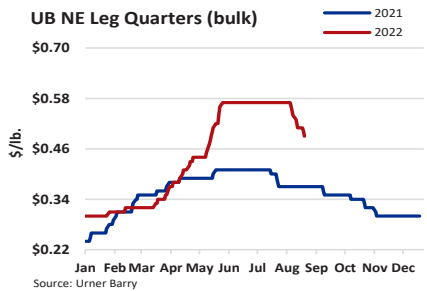
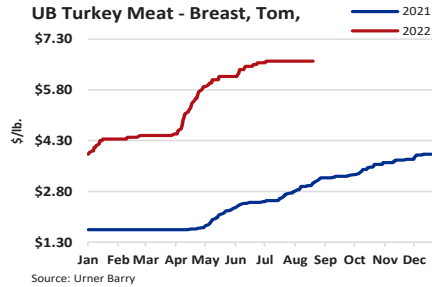
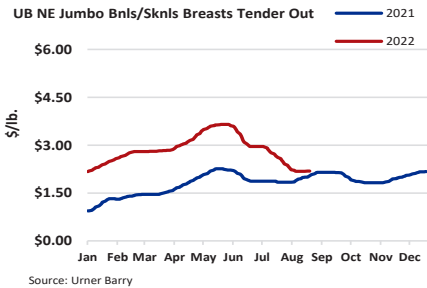
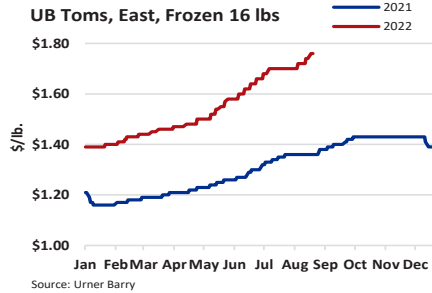
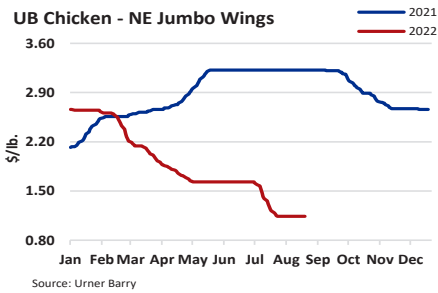
In the veal market this week, price action was largely uneventful. Minimal changes were observed for both carcasses and boxed cuts. Demand remained on the moderate side from retail channels for a majority of the industry, while food service interest was generally mixed. The USDA Special Fed Veal Slaughter was at 2,883 head, which was roughly a 12.6% increase. The USDA Special Fed Veal weights were at 271.6 pounds, which was 8.3 pounds less than last week.



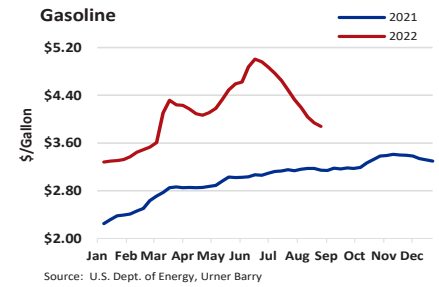
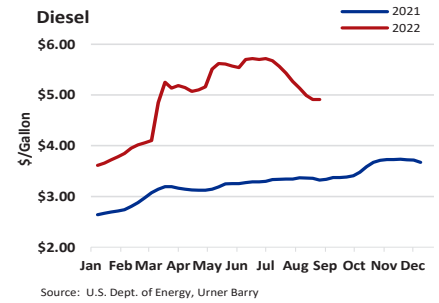
FEEDS: CORN, SOY BEAN, RED WHEAT



POULTRY



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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POULTRY COMMENTARY

Demand for whole chickens and WOGs was somewhat hit or miss throughout the week but ask prices largely remained within steady ranges. Jumbo boneless saw a slight bump in pricing to begin the week but nothing more materialized. Select and medium boneless saw scattered pressure and were willingly discounted when sellers had extra offerings. Tenders were similarly inked at lower levels. As for wings, jumbo offerings are seeing the most consistent call at steady or slightly better levels. Small and medium are mixed. The back half saw lower demand and willingness to discount across the board. Thighs appear the most pressured but all bone in lines were subject to

discounted values. This includes leg and thigh meat as well.

Fresh and frozen turkeys, as well as consumer and institutional-sized breasts, remain in high demand and are only inked if upward trending price points are in play. Drums, necks, and wings are likewise seeing consistent buying interest at full marker or higher levels. Tails and gizzards are a bit mixed and rated about steady. As for raw materials, tom, hen, and breeder breast meats, along with tenders and scapula, continue to be mostly short of buyer needs. Ask prices vary with some holding out at notably higher ask prices. Thigh meat and MST are mostly well cleared and rated ready to full steady.

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