

Friday, August 05, 2022

Number 32 - Volume 15

WEEKLY COMMODITY AT A GLANCE

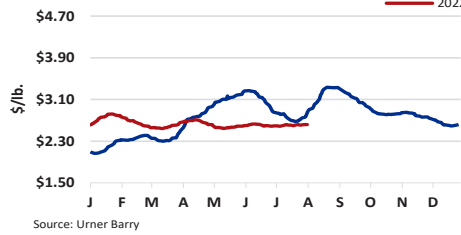
	This Week	Last Week	Last Year
Omaha, US No 2 Yellow Corn	7.20	7.31	6.31
CBOT Soybean	1,614.75	1,637.00	1,447.50
NYMEX Light Crude Oil	89.01	98.62	68.29
Loose Lard, Chicago Basis	UNQ	UNQ	0.70
Edible Tallow, Chicago Basis	UNQ	UNQ	UNQ
Beef Trimmings, 90% Fresh	272.00	271.00	277.00
Beef Trimmings, 50% Fresh	101.00	102.00	176.00
Aust/NZ Blend Cow 90% EC Spot	265.00	263.00	273.00
USDA Drop Credit	0.138	0.138	0.149
112A 3 Ribeye Roll, Lip-On CH	925.00	950.00	1,200.00
116A 3 Chuck Roll, Neck-Off CH	370.00	370.00	450.00
168 3 Round, Top (Inside) CH	285.00	285.00	360.00
180 3 Strip Loin, Bnls, 0x1 CH	900.00	890.00	725.00
136 Coarse Ground 81%	261.00	270.00	241.00
189A 4 Loin, Tenderloin, PSMO CH	1,225.00	1,225.00	1,625.00
Cattle-Fax, 6-State Fed Steer Price	138.92	139.26	121.15
Select Hams 20/23	120.00	120.00	74.00
Sq Cut Bellies 14/16	219.00	219.00	240.00
1/4 Trmd. Loins 21/dn	127.00	130.00	117.00
1/4 Tr Boston Butts 9/dn	149.00	179.00	123.00
Spareribs, Light, Fresh	161.00	179.00	166.00
Fresh Pork Trim (42%)	128.00	128.00	144.00
Fresh Pork Trim (72%)	136.00	141.00	168.00
Carcass Lamb Y4+55/65	4.41	4.51	5.71
Lamb Cuts, 204 Rack, 8-Rib, 7/Up	14.50	15.00	15.00
Lamb Cuts, 206 Shoulder, Cross Cut	4.55	4.55	5.75
Lamb Cuts, 232 Loin Trmd 4x4	8.50	8.90	11.95
Lamb Cuts, 234 Leg, Boneless	7.50	8.00	9.70
Carcass Veal, Hide-off, 255/315, NC	4.30	4.30	3.45
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	8.50
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	11.25

Quotes represent the high side of Friday's trading range

RIEMANN CONTRACT SETTLEMENTS

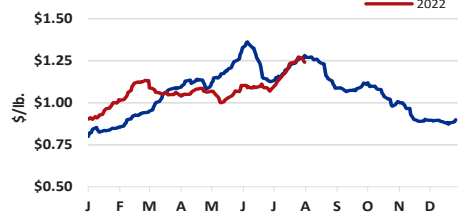
	8/5	7/29	7/22
Weekly Imported Aust/NZ Blend Cow 90% EC 7:45	2.64	2.64	2.68
Weekly Weighted Average Blended Boxed Beef Cutout Index	260.32	262.10	262.60

UB Beef Index



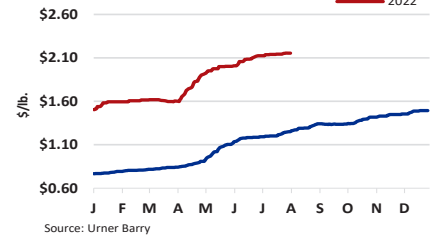
Source: Urner Barry

UB Pork Cutout



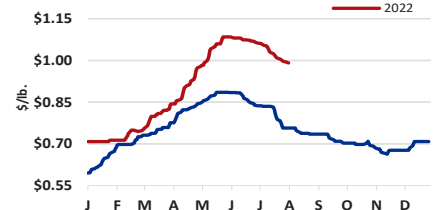
Source: Urner Barry

UB Turkey Index



Source: Urner Barry

UB Chicken Index



Source: Urner Barry

EST. DAILY CATTLE SLAUGHTER

	M	T	W	TH	F	S	Total
TW	124	124	124	125	115	39	651
LW	124	125	125	121	124	50	669
*LY	117	123	122	121	115	47	644

EST. DAILY HOG SLAUGHTER

	TW	LW	*LY
TW	408	472	469
LW	450	467	468
*LY	414	469	472

EST. DAILY SHEEP SLAUGHTER

	TW	LW	*LY
TW	8	7	7
LW	8	7	7
*LY	8	6	6

EST. DAILY CALVES SLAUGHTER

	TW	LW	*LY
TW	2	1	1
LW	2	1	1
*LY	2	0	1

EST. DAILY COW & BULL SLAUGHTER

	F	S	M	T	W	TH	Total
LW	7/22	7/23	7/25	7/26	7/27	7/28	
	28	13	26	27	28	28	150
TW	7/29	7/30	8/1	8/2	8/3	8/4	
	27	10	26	27	27	28	145
*LY	23	10	24	26	26	25	134

\*Last Year's numbers are rounded

FOREIGN EXCHANGE RATES

	This Week	Last Week	Last Year
Australia, Dollar	0.689	0.695	0.734
Mexico, Peso	20.470	20.241	20.141
Canada, Dollar	1.295	1.284	1.257
Japan, Yen	134.694	133.931	110.488
China, Yuan (RMB)	6.757	6.740	6.483
Brazil, Real	5.267	5.154	5.241
South Korea, Won	1,297.52	1,304.61	1,151.93
Taiwan, Dollar	30.012	30.024	27.833
European Union, Euro	1.016	1.018	1.172

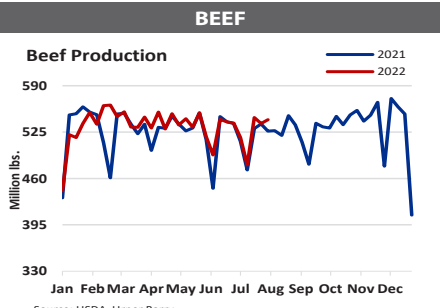
COLD STORAGE STOCKS

(Pounds in Thousands)	6/30/21	5/31/22	6/30/22
Beef in Freezer, Bnls	371,969	478,243	468,801
Cuts	29,546	47,897	47,402
<b>Total Beef</b>	<b>401,515</b>	<b>526,140</b>	<b>516,203</b>
<b>PORK &amp; OTHER</b>	<b>6/30/21</b>	<b>5/31/22</b>	<b>6/30/22</b>
Pork in Freezer, Picnics	4,717	8,982	8,025
Hams	130,550	126,491	139,219
Bellies	36,385	56,728	53,194
Loins	33,871	40,270	35,296
Spareribs	69,276	115,000	108,935
Butts	9,944	19,771	17,440
Trimmings	41,280	51,955	52,431
Other Pork in Freezer	50,032	54,251	51,653
<b>Total</b>	<b>441,916</b>	<b>546,061</b>	<b>540,993</b>
Veal in Freezer	5,818	2,841	2,705
Lamb & Mutton in Freezer	21,489	22,192	22,928
<b>Total</b>	<b>27,307</b>	<b>25,033</b>	<b>25,633</b>

Data Updated: July 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-05 v. Jul-29				
	CHOICE	SELECT	NO-ROLL	CAB
Rib	1.02%	0.10%	0.01%	0.34%
Chuck	0.01%	-0.71%	-1.00%	0.57%
Round	-0.03%	2.29%	1.35%	0.36%
Loin	0.43%	1.24%	-1.18%	0.29%
Briskef	-1.32%	0.05%	0.06%	0.05%
Plate	-1.32%	-1.32%	-1.32%	-0.90%
Flank	0.30%	0.31%	0.31%	0.29%
<b>Total</b>	<b>0.19%</b>	<b>0.54%</b>	<b>-0.40%</b>	<b>0.31%</b>



**BEEF COMMENTARY**

The boxed beef market for most of the week took on steady tones with changes seen only around a handful of items. The dynamics at play remained unchanged which left steady trade throughout the week on limited quantities. The spot market saw little activity throughout the week as it seemed focus was on forward positioning. It seemed most participants have found themselves in comfortable positions for the time being which led to more hand to mouth purchasing throughout the week. Overall, the cutout has held up fairly steady throughout the summer months and a good majority do not anticipate that to change citing retail demand has not tailed off and the consumer appears to be in decent standing still.

**LIVE CATTLE:** Prices in the South this week were steady to up \$1.00/cwt from the week prior between mostly \$135.00 - \$136.00/cwt live (full range \$135.00-\$138.50). Prices in the North were steady to \$2.00/cwt higher between \$140.00 - \$145.00/cwt live (\*also full range). Dressed sales were steady to \$7.00 higher at \$225.00 to \$232.00/cwt (\*also full range).

**SLAUGHTER & BEEF PRODUCTION:** The weekly federally inspected slaughter was 651,000 head. Live weights ended the week at 1344 pounds up one pound. Dressed weights were up one pound to 813 pounds.

**RIBS:** Early in the week we saw ribs begin to trend higher, but it appeared to fade as we approached the end of the week. As participants start to secure year-end product this has allowed ribs to hold steady tones throughout the week. Questions remain around how aggressive procurement will be for those utilizing various freezing programs after last year's performance. Also, in question would be will there be a mixture of features utilizing a few different cuts this year as consumer spending is in question for later this year.

**CHUCKS:** On the week the chuck complex saw little change, hearts and top blades seemed to be the only cuts coming under a bit of pressure again this week. Chuck rolls were still in high demand, but it was not enough to move the needle this week after having a couple weeks of consistent gains.

**ROUNDS:** Round items this week saw nothing but steady trade, items continued to be locked in a range as supplies and demand continued to line up. Towards the middle of the week, we began to see availability loosen up but it had limited effect on quotations. Outlooks remained the same for the most part but it seemed there is some frustration beginning to set in as seasonality has been absent so far this summer.

**LOINS:** Loins continued to see steady demand throughout the week which allowed quotations to inch higher around shortloins and boneless strips 0x1 which posted a fresh 52-week high. Cautious tones have emerged as many cite these high prices are not favorable to take larger positions at as it seemed quite a few are still under the impression there will be some seasonality taking place before getting into fall.

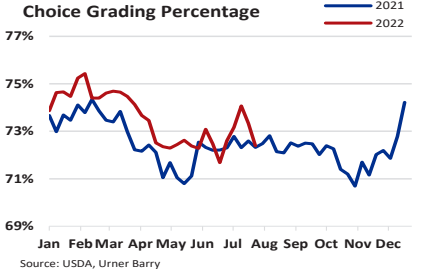
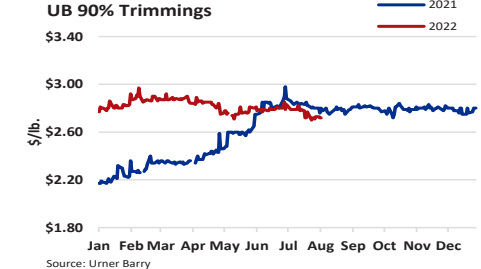
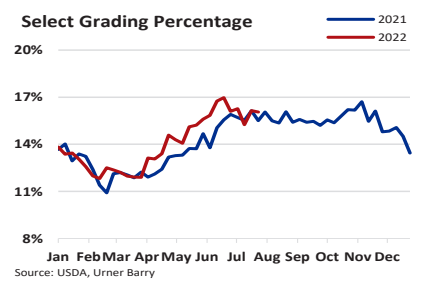
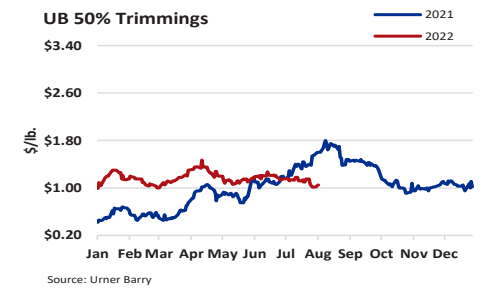
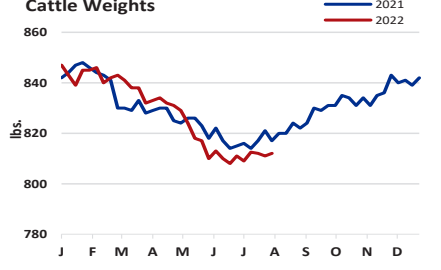
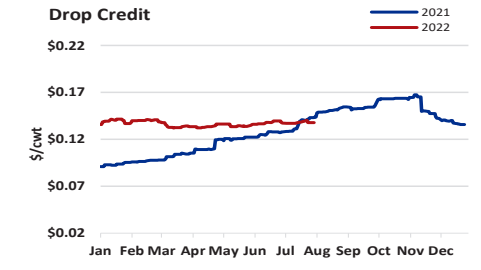
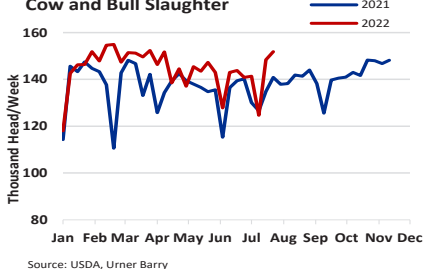
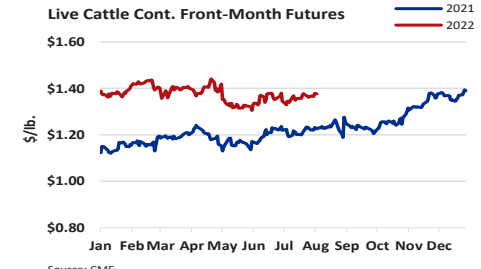
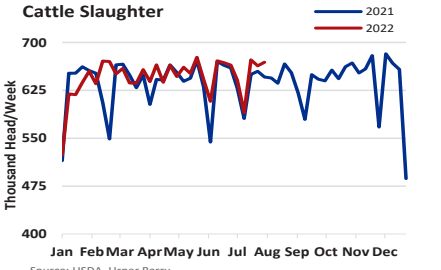
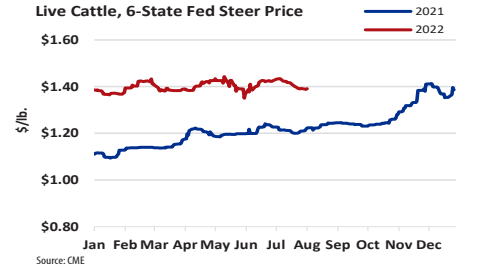
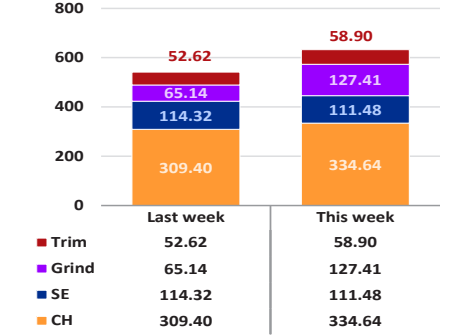
**GROUND BEEF:** Grinds steadied out this week after the pressure seen in the prior around 73% grinds, leaner material continued to hold its own. As patty demand is seemingly still robust many expect this to be a short-lived correction.

**BONELESS BEEF:** Leaner boneless beef was steady to a little weaker this week. Product appeared to be more readily available in some areas. Participants continue to keep a close eye on the imported beef complex. Fresh 50s were mostly steady this week. Several participants indicated that supply and demand were generally in balance. This week's cattle slaughter was estimated at 651,000 head.

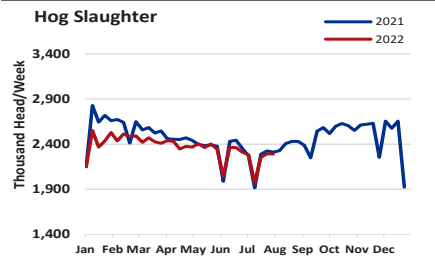
UB BEEF CUTOUT-CH/SE SPREAD (\$/cwt)					
	M	T	W	TH	F
TW	27.44	27.81	26.83	27.11	26.60
*LW	26.12	27.47	27.61	27.53	27.38

\*Last Week's numbers are rounded

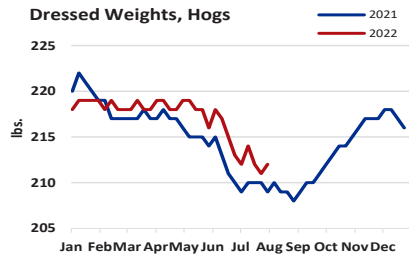
**Weekly Beef Breakdown** Source: USDA, Urner Barry  
 (# of loads) 1 load = 40,000 lbs.



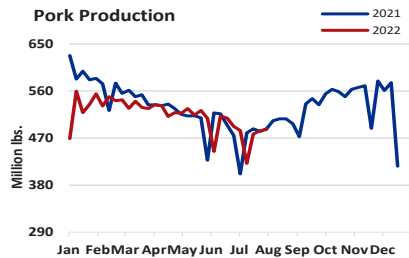
**PORK PRODUCTION**



Source: USDA, Urner Barry



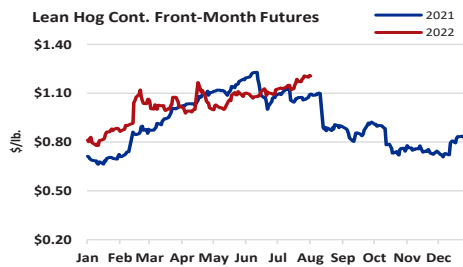
Source: USDA, Urner Barry



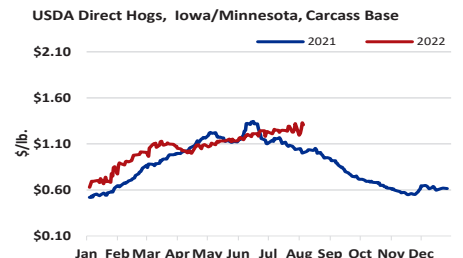
Source: USDA, Urner Barry

**LIVE HOGS & CUTOUT**

PORK CUTOUT	Jul-29	Aug-05	Change
Loin	108.610	107.670	-0.940
Butt	148.870	124.200	-24.670
Picnic	93.620	93.260	-0.360
Sparerib	170.980	154.800	-16.180
Ham	113.150	112.410	-0.740
Belly	213.210	207.750	-5.460
<b>Cutout Value</b>	<b>127.226</b>	<b>122.436</b>	<b>-4.79</b>



Source: CME



Source: USDA, Urner Barry

**PORK COMMENTARY**

This week in the pork market, trade was mainly influenced by pushback to some recently lofty levels, elevated freezer stock, and seasonal factors. Urner Barry's pork carcass cutout decreased by 3.76 percent during the week. Estimates of margins for outside purchasers of hogs on Thursday were -\$20.77/head while margins for vertically integrated packers were estimated at \$51.73/head.

**PORK PRODUCTION:** Pork production for the week ending 8/06/2022 was estimated to be 495.9 million pounds. This was a 1.9 percent increase from last week and a 1.7 percent increase from a year ago. Live hog weights averaged 284 pounds for the week, 1 pound lighter than last week and 3 pounds heavier than a year ago.

**GREEN MEATS:** In the green meat complex, hams saw their recent gains begin to stagnate. For bone-in product, export demand was down versus previous weeks while boneless product traded near their recently established ranges for the most part. Bellies were mixed, with light items being weak amid hog weights decreasing and heavies seeing only modest declines amid pushback from their lofty levels. Trimmings were unsettled as supplies were more readily available than previous weeks, though demand was fairly steady.

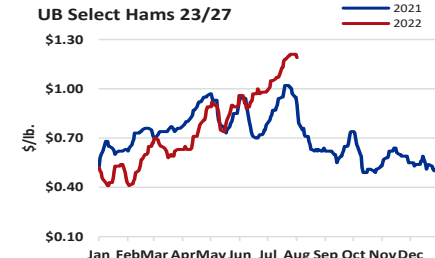
**HAMS:** Bone-in ham values were \$3.50/cwt weaker to \$0.50/cwt firmer and boneless cuts were \$2.00/cwt to \$3.00/cwt stronger.

**BELLIES:** Skinless bellies were \$1.00/cwt to \$13.50/cwt weaker.

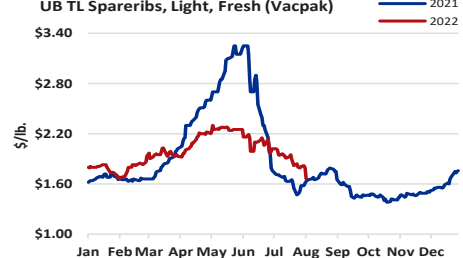
**TRIMMINGS:** 42s were generally unchanged while 72s were \$5.50/cwt weaker. Meanwhile, boneless picnics were \$4.00/cwt higher.

**RETAIL:** 1/4" bone-in loins were \$2.50/cwt weaker and 1/8" loins decreased \$4.00/cwt. Boneless strap-on loins were \$4.50/cwt weaker while boneless strap-off loins increased by \$12.50/cwt. Bone-in sirloins were \$7.50/cwt weaker while boneless sirloins were \$5.00/cwt stronger. Tenderloins were generally unchanged on the week. 1/4" bone-in butts were down \$31.00/cwt while boneless butts declined by \$17.50/cwt. Light and medium spareribs saw decreases of \$19.00/cwt and \$14.50/cwt respectively.

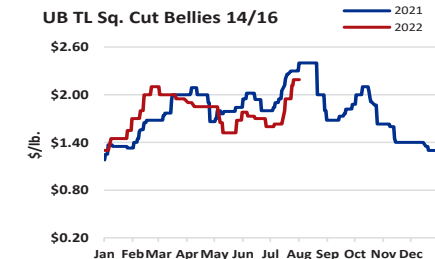
**PORK PROCESSING ITEMS & RETAIL CUTS**



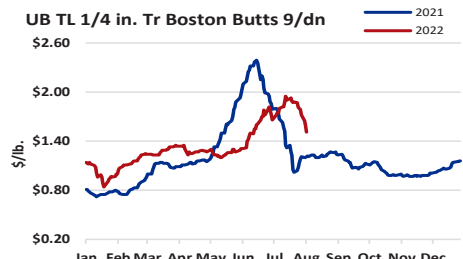
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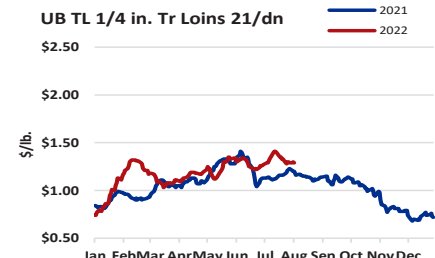
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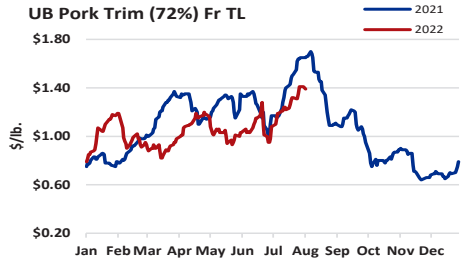
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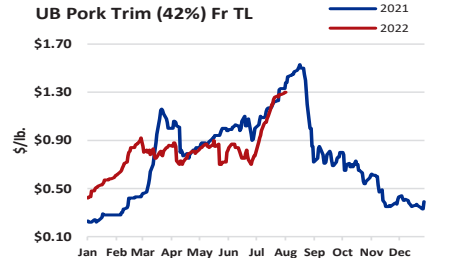
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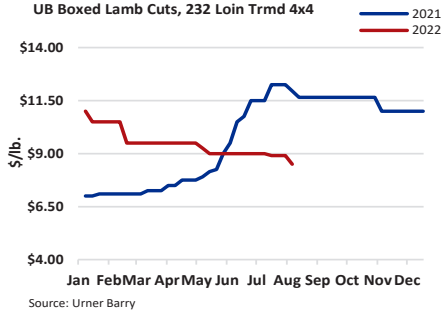
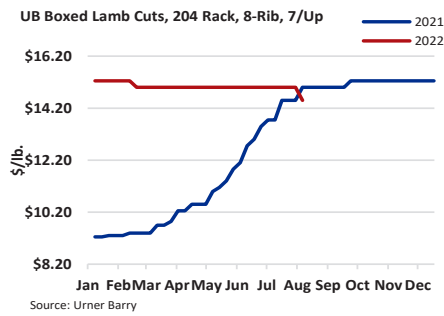
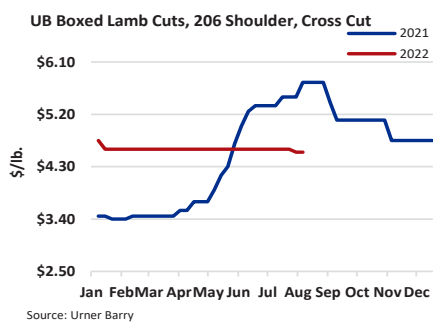
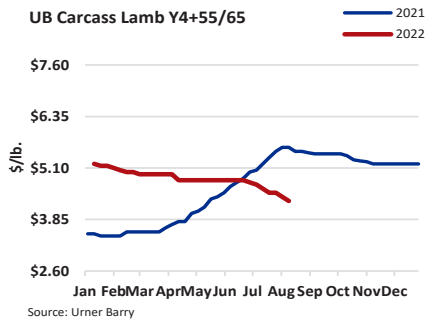


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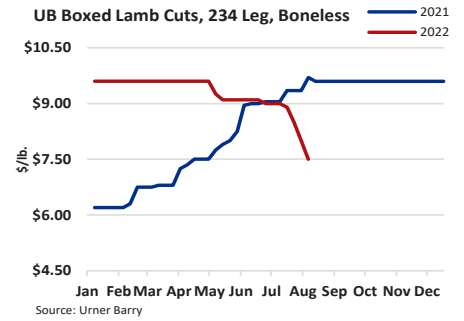
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LAMB

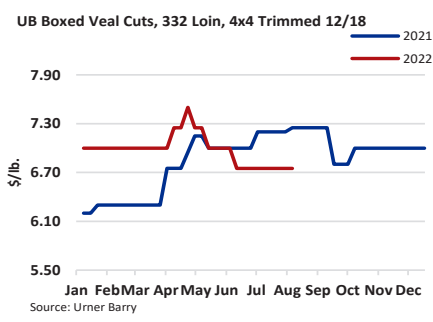
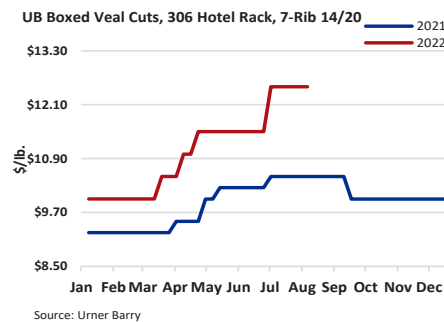
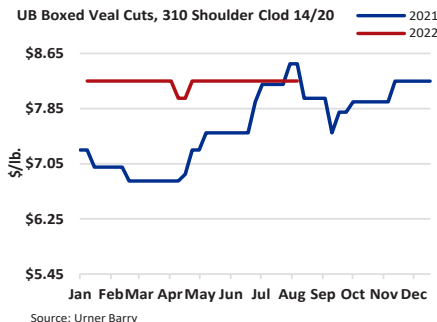
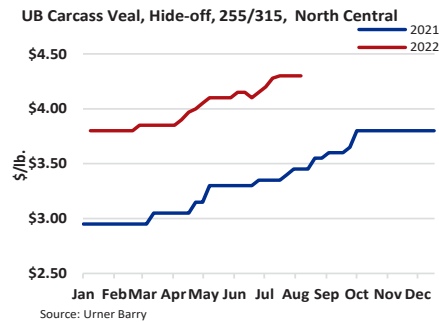


LAMB COMMENTARY

This week in domestic lamb, carcasses were generally unchanged, though they had a weaker bias as demand remained lackluster. For boxed cuts, racks, boneless legs, loins, and ribs traded lower this week. Foreshank and breast related items were steady, though they carried a supportive bias over from last week. In the most recent USDA Weekly Meat Production Under Federal Inspection report, weekly sheep slaughter was at 32,000, which was 1,000 less than last week and even with a year ago. Weights were at 133 pounds, which was 1 pound under last week and 16 pounds heavier than a year ago.

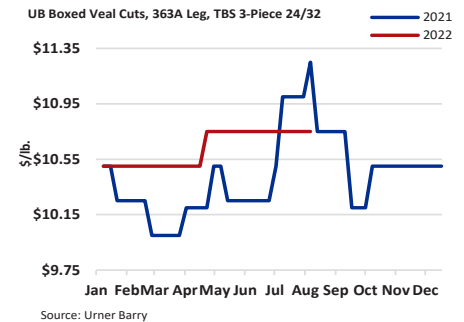


VEAL

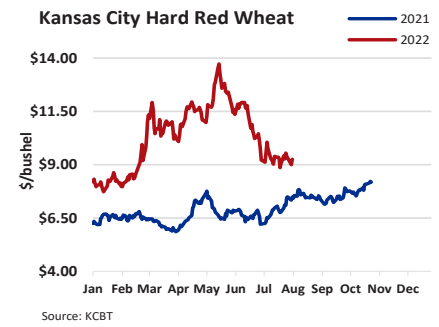
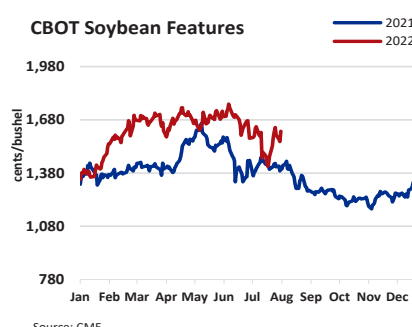
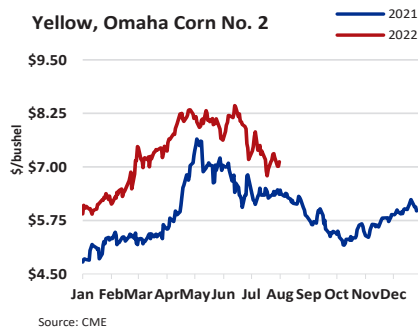


VEAL COMMENTARY

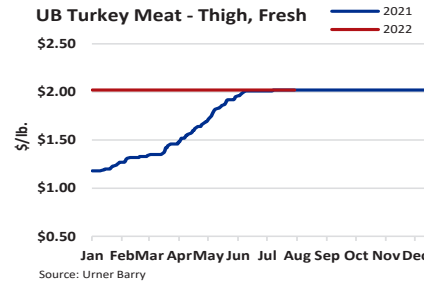
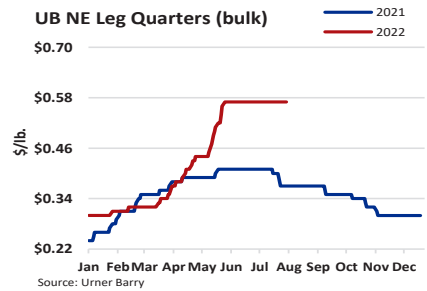
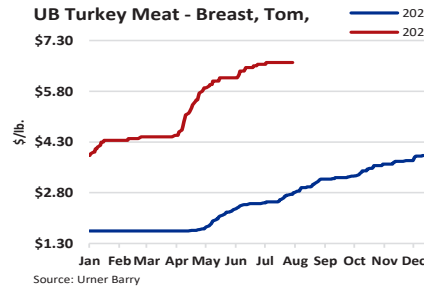
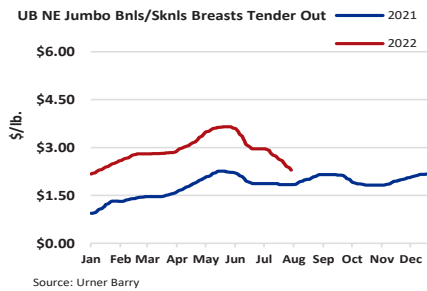
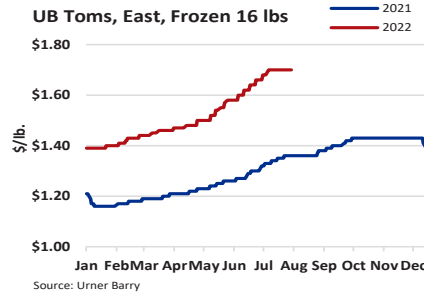
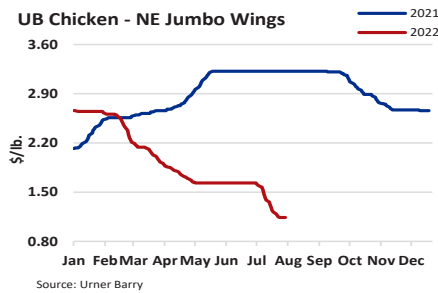
This week in veal, carcasses and all boxed cuts were generally unchanged. Recent demand has been rated as lackluster from both retail and food service channels, which isn't atypical for being in the dog days of summer. Racks remain at all-time high price levels while various loin and shoulder cuts are at 52-week lows. The USDA Special Fed Veal Slaughter was at 2,584 which was roughly 10.3% lower than last week. The USDA Special Fed Veal Dressed weights were at 289.6 pounds, which was 2.3 pounds lighter than last week.



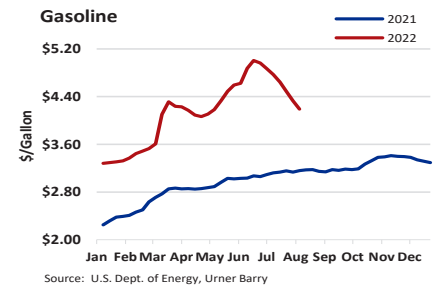
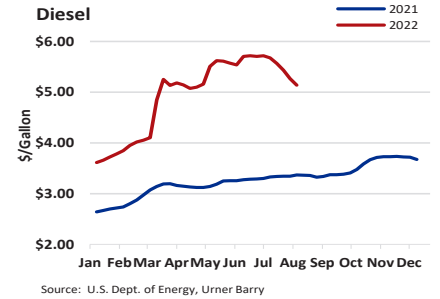
FEEDS: CORN, SOY BEAN, RED WHEAT



**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](#)

**Contributors:**

- Joe Muldowney - joemo@urnerbarry.com
- Russ Whitman - rwhitman@urnerbarry.com
- Russ Barton- rbarton@urnerbarry.com
- Gary Morrison- gmorrison@urnerbarry.com
- Bill Smith - bsmith@urnerbarry.com
- Matt Busardo - mbusardo@urnerbarry.com
- Dylan Hughes - dhughes@urnerbarry.com
- Ryan Hojnowski - rhojnowski@urnerbarry.com
- Todd Unger - tunger@urnerbarry.com

**POULTRY COMMENTARY**

Supplies of whole chickens and WOGs remain fully adequate and available for a wide range of discounted levels. Jumbo boneless was pressured throughout the week with most sellers needing to entertain sharply lower bids to move product. The same can be said for chunk and trim meats. Demand for tenders began to slow as well and ask prices moved lower in response. As for wings, small and medium sizes remained pushy at best, while demand for jumbo moved higher and steady ask prices were now attainable. The back half was flat overall. Drums and thigh meat were the most consistently discounted. Every other line was subject to some pressure.

Whole body toms and hens, as well as consumer and institutional-sized breasts, continue to be held with confidence and minimally offered. In parts, drums, necks, and wings all continue

to see various premiums. Fresh offerings were in demand at the most consistent premiums. Other lines such as tails and gizzards were moved at steady levels. The raw materials segment was somewhat quiet. That said, demand for all things breast meat, tenders and scapula remains robust. The same can be said for breast trim and wing meat. Most indications suggest MST is well cleared, but some report demand is slowing as we get into August.

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