

Friday, December 16, 2022

Number 52- Volume 15

WEEKLY COMMODITY AT A GLANCE

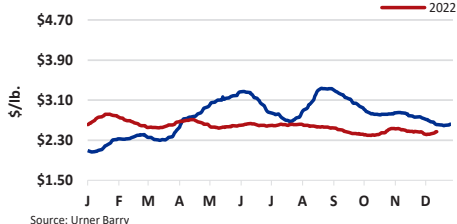
	This Week	Last Week	Last Year
Omaha, US No 2 Yellow Corn	UNQ	6.94	6.07
CBOT Soybean	1,480.00	1,483.75	1,308.00
NYMEX Light Crude Oil	74.29	71.02	71.12
Loose Lard, Chicago Basis	0.80	0.80	0.79
Edible Tallow, Chicago Basis	0.84	0.84	0.76
Beef Trimmings, 90% Fresh	241.00	242.00	275.00
Beef Trimmings, 50% Fresh	108.00	83.00	105.00
Aust/NZ Blend Cow 90% EC Spot	242.00	242.00	296.00
USDA Drop Credit	0.143	0.143	0.137
112A 3 Ribeye Roll, Lip-On CH	1,250.00	1,250.00	940.00
116A 3 Chuck Roll, Neck-Off CH	345.00	325.00	350.00
168 3 Round, Top (Inside) CH	240.00	240.00	280.00
180 3 Strip Loin, Bnls, 0x1 CH	555.00	555.00	630.00
136 Coarse Ground 81%	210.00	190.00	250.00
189A 4 Loin, Tenderloin, PSMO CH	1,625.00	1,600.00	1,450.00
Cattle-Fax, 6-State Fed Steer Price	155.91	156.30	139.65
Select Hams 20/23	88.00	89.00	56.00
Sq Cut Bellies 14/16	106.00	108.00	135.00
1/4 Trmd. Loins 21/dn	106.00	96.00	76.00
1/4 Tr Boston Butts 9/dn	123.00	120.00	109.00
Spareribs, Light, Fresh	128.00	128.00	160.00
Fresh Pork Trim (42%)	53.00	58.00	36.00
Fresh Pork Trim (72%)	79.00	99.00	69.00
Carcass Lamb Y4+55/65	4.46	4.46	5.31
Lamb Cuts, 204 Rack, 8-Rib, 7/Up	12.75	14.50	15.25
Lamb Cuts, 206 Shoulder, Cross Cut	4.55	4.55	4.75
Lamb Cuts, 232 Loin Trmd 4x4	8.50	8.50	11.00
Lamb Cuts, 234 Leg, Boneless	7.00	7.00	9.60
Carcass Veal, Hide-off, 255/315, NC	4.40	4.40	3.80
Veal Cuts, 306 Hotel Rack, 7-Rib 14/20	12.50	12.50	10.00
Veal Cuts, 310 Shoulder Clod 14/20	8.00	8.00	8.25
Veal Cuts, 332 Loin, 4x4 Trim 12/18	7.05	7.05	7.00
Veal Cuts, 363A Leg, TBS 3-Pc 24/32	10.75	10.75	10.50

Quotes represent the high side of Friday's trading range

RIEMANN CONTRACT SETTLEMENTS

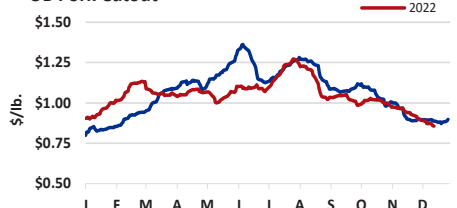
	12/16	12/9	12/2
Weekly Imported Aust/NZ Blend Cow 90% EC 7:45	2.40	2.43	2.44
Weekly Weighted Average Blended Boxed Beef Cutout Index	250.13	240.86	249.35

UB Beef Index



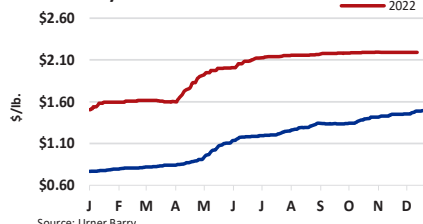
Source: Urner Barry

UB Pork Cutout



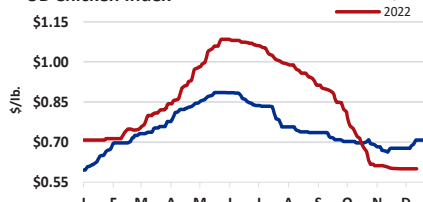
Source: Urner Barry

UB Turkey Index



Source: Urner Barry

UB Chicken Index



Source: Urner Barry

EST. DAILY CATTLE SLAUGHTER

	M	T	W	TH	F	S	Total
TW	125	121	118	122	119	24	629
LW	127	128	127	126	120	24	652
*LY	122	124	114	122	120	57	658

EST. DAILY HOG SLAUGHTER

	M	T	W	TH	F	S	Total
TW	490	481	490	475	475	199	2,610
LW	483	491	484	490	475	147	2,570
*LY	485	469	438	457	477	329	2,655

EST. DAILY SHEEP SLAUGHTER

	M	T	W	TH	F	S	Total
TW	9	8	6	7	5	0	35
LW	8	8	7	7	5	0	35
*LY	10	7	7	8	6	1	39

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	1	8

EST. DAILY COW & BULL SLAUGHTER

	F	S	M	T	W	TH	Total
LW	12/2	12/3	12/5	12/6	12/7	12/8	152
TW	12/9	12/10	12/12	12/13	12/14	12/15	149
*LY	26	13	25	28	28	27	147

*Last Year's numbers are rounded

FOREIGN EXCHANGE RATES

	This Week	Last Week	Last Year
Australia, Dollar	0.670	0.678	0.713
Mexico, Peso	19.752	19.766	20.746
Canada, Dollar	1.366	1.363	1.292
Japan, Yen	136.906	136.044	113.761
China, Yuan (RMB)	6.971	6.955	6.371
Brazil, Real	5.280	5.264	5.735
South Korea, Won	1,308.77	1,301.17	1,191.22
Taiwan, Dollar	30.709	30.643	27.837
European Union, Euro	1.064	1.056	1.130

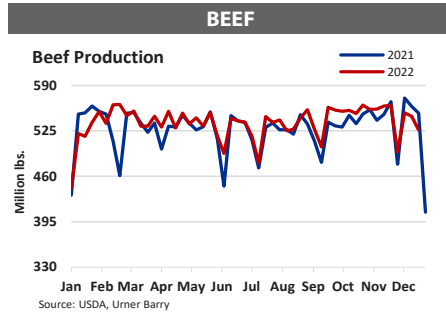
COLD STORAGE STOCKS

(Pounds in Thousands)	10/31/21	9/30/22	10/31/22
Beef in Freezer, Bnls	432,452	473,338	460,103
Cuts	41,311	52,832	49,846
Total Beef	473,763	526,170	509,949
PORK & OTHER	10/31/21	9/30/22	10/31/22
Pork in Freezer, Picnics	6,360	6,428	6,734
Hams	150,043	159,488	121,406
Bellies	11,614	36,513	40,196
Loins	32,088	36,940	39,129
Spareribs	67,147	103,299	109,913
Butts	14,971	17,755	20,486
Trimmings	43,967	39,904	38,216
Other Pork in Freezer	53,543	58,947	55,384
Total	442,370	536,980	511,056
Veal in Freezer	4,519	3,923	2,589
Lamb & Mutton in Freezer	27,155	31,364	28,539
Total	31,674	35,287	31,128

Data Updated: November 22, 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 Dec-16 v. Dec-09				
	CHOICE	SELECT	NO-ROLL	CAB
Rib	-1.33%	3.66%	2.42%	4.72%
Chuck	2.55%	2.50%	2.76%	4.23%
Round	1.17%	0.76%	0.12%	2.42%
Loin	3.35%	1.84%	1.54%	5.25%
Brisket	1.32%	3.23%	1.38%	7.22%
Plate	7.12%	7.12%	7.12%	4.00%
Flank	2.19%	5.10%	5.10%	3.66%
Total	1.73%	2.52%	2.08%	4.42%



BEEF COMMENTARY

Activity on the week was very spotty. There was a continuation of last week's trade which led to a slow grind higher on a few items. The market in general highlighted the two-tiered trade taking place as delivery periods have extended into the New Year. Quick ship needs continued to carry a premium for holiday items where end cuts are still finding some sellers willing to discount inventories. The opposite could be said for the January time frame.

LIVE CATTLE: Cash cattle prices in the South were steady at \$155.00/cwt live (full range \$153.00 to \$155.00/cwt live). Prices in the North were steady to \$1.00/cwt lower at \$156.00 to \$158.00/cwt live (full range \$155.00 to \$158.50/cwt live). Dressed trade was \$2.00 to \$4.00/cwt lower at \$245.00 to \$247.00/cwt dressed (full range \$242.00 to \$247.00/cwt).

SLAUGHTER & BEEF PRODUCTION: The weekly federally inspected slaughter was XXX,000 head. Live weights ended the week flat at 1385 pounds. Dressed weights were also unchanged at 837 pounds.

RIBS: Ribs were steady to better in most instances throughout the week. Exports were able to inch up modestly early off. Some participants are noted to be short bought on the market so spot needs continued to carry a premium. While those looking to get business done into January are finding favorable discounting. Retail ads around the holidays have surprised participants in a positive fashion with price points being quite favorable to the consumer.

CHUCKS: Isolated instances of support were seen in the chuck complex. Inventories were noted to be in much better shape this week but there was still quite a disparity among sellers. The bulk of items garnered closer to about steady tones this week. Top Blades, rolls, and chuck tenders all saw quotations move incrementally higher.

ROUNDS: Largely unsettled was the round complex once again. Most trade continued to be range bound with only flats able to inch up on the week. Clean-up efforts kept pace with the week prior.

LOINS: Spot needs were limited this week and that left quotations unchanged for the majority of loins. Focus seems to be around the forward period as values are sparking interest into January. Top butts were the only item to see supplies tighten up and quotations move higher.

GROUND BEEF: 73% and 81% coarse grinds moved off their recent low as expectations for a reduced slaughter sparked some buying interest. With production hours being pulled, many expect this to be one of the first areas to tighten up going forward.

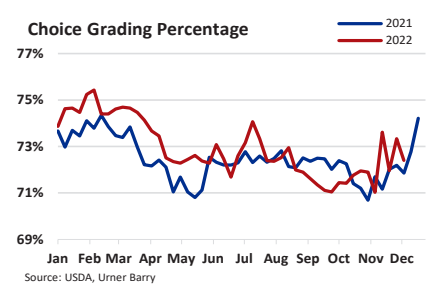
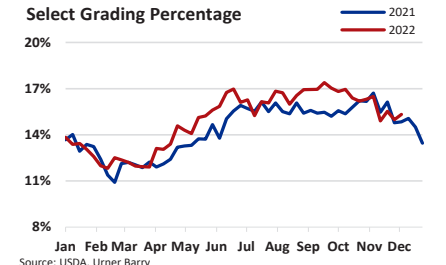
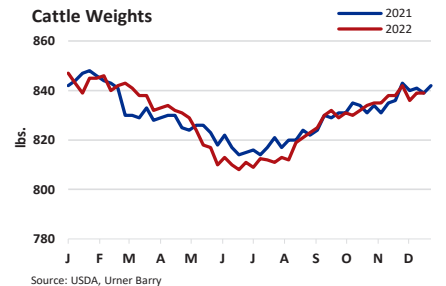
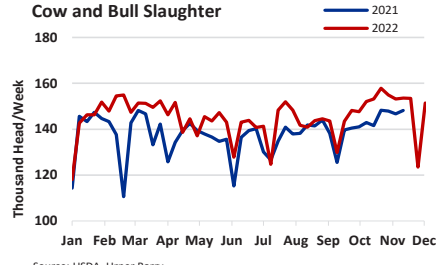
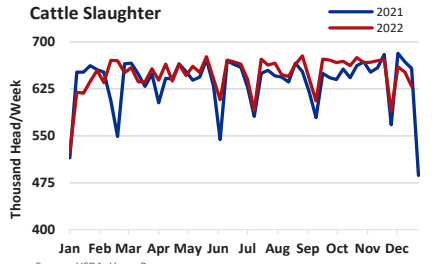
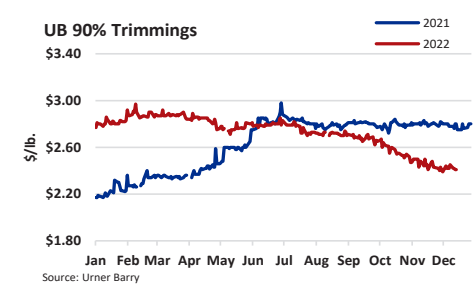
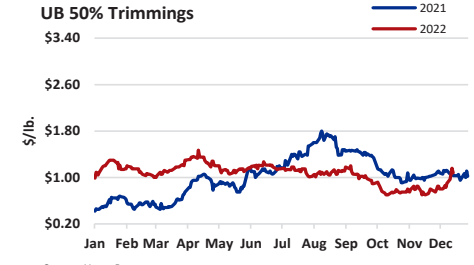
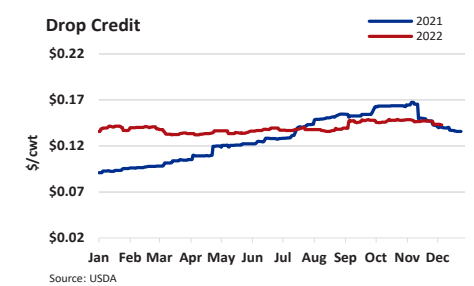
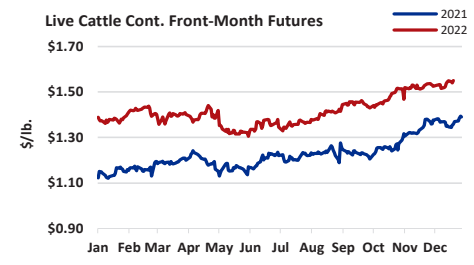
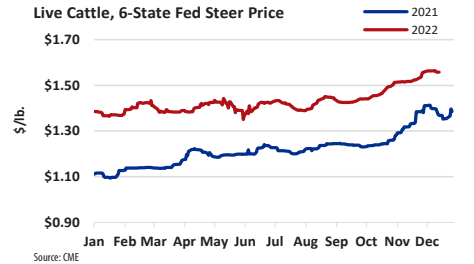
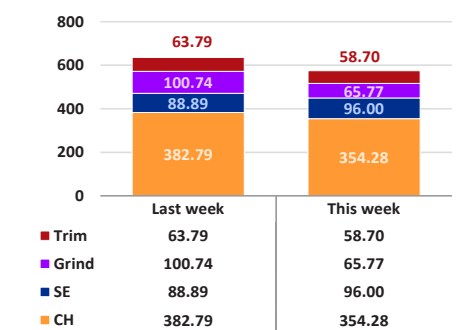
BONELESS BEEF: The market for fresh 90s was mixed this week. Product was reportedly still ample in some areas. Holiday scheduling for next week was a key topic of conversation as the week ended. Fresh 50s moved higher as the week developed. Strength in that market can be attributed to the recent cutbacks in the cattle slaughter. This week's kill was estimated at 629,000 head; that is down 23,000 head compared to the previous week.

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

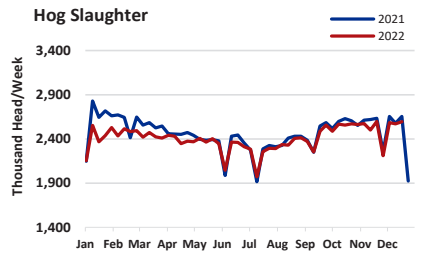
	M	T	W	TH	F
TW	29.26	29.10	29.64	29.36	29.78
*LW	27.96	26.90	30.47	30.47	30.97

*Last Week's numbers are rounded

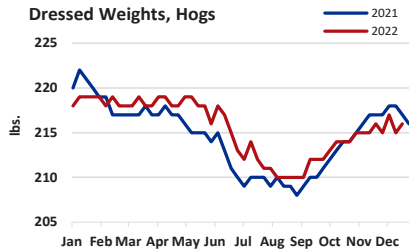
Weekly Beef Breakdown (# of loads) Source: USDA, Urner Barry
1 load = 40,000 lbs.



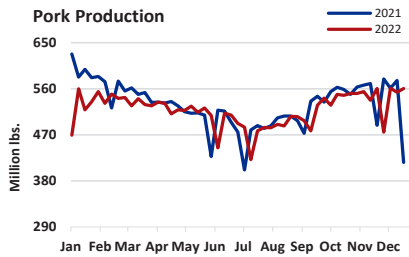
PORK PRODUCTION



Source: USDA, Urner Barry



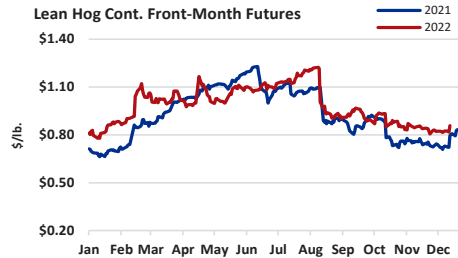
Source: USDA, Urner Barry



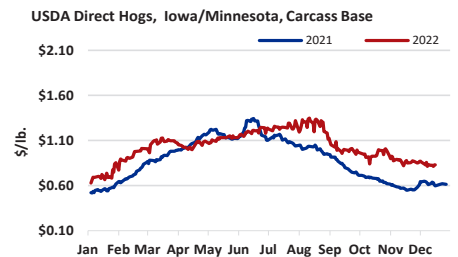
Source: USDA, Urner Barry

LIVE HOGS & CUTOUT

PORK CUTOUT	Dec-09	Dec-16	Change
Loin	81.310	82.660	1.350
Butt	98.150	103.080	4.930
Picnic	90.860	89.870	-0.990
Sparerib	120.030	122.200	2.170
Ham	87.650	82.750	-4.900
Belly	99.550	92.330	-7.220
Cutout Value	87.161	85.627	-1.534



Source: CME



Source: USDA, Urner Barry

PORK COMMENTARY

This week, the approaching holidays, inclement weather in the Midwest, lackluster export and domestic demand, and additional supplies on the market influenced pork trade. Urner Barry's pork carcass cutout decreased by 1.76 percent during the week. Estimates of margins for outside purchasers of hogs on Thursday were - \$1.78/head while margins for vertically integrated packers were estimated at - \$26.82 /head.

PORK PRODUCTION: Pork production for the week ending 12/17/2022 was estimated to be 560.6 million pounds. This was 1.3 percent more than last week and a 2.7 percent decrease from a year ago. Live hog weights averaged 291 pounds for the week, which was one pound heavier than last week and even with the same period a year ago.

GREEN MEATS: In the ham market this week, both bone-in and boneless hams experienced declines. For bone-ins, lackluster demand from both Mexico and domestic further processors strongly influenced the cut. For boneless hams, a decline in interest amid the end of holiday prep was a major influence in the reduction of values this week. In the belly markets, an unsettled undertone applied throughout the week amid ample supplies and lackluster demand for bacon. Light bellies tended to command a premium to heavy items as food service demand was generally more supportive than retail. In trim, 42s and 72s were weak on fully adequate to ample supplies, competitive international offerings, and buyer pushback to recently elevated price points.

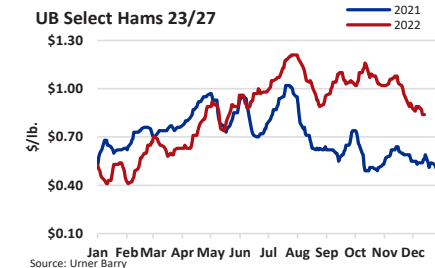
HAMS: Bone-in ham values were \$1.00/cwt to \$5.50/cwt weaker, while boneless cuts were \$8.00 to \$9.00/cwt weaker.

BELLIES: Skinless bellies were \$15.50/cwt weaker to \$3.50/cwt stronger.

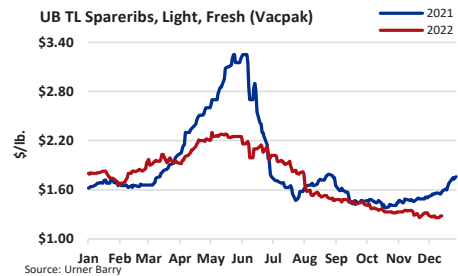
TRIMMINGS: 42s were \$6.50/cwt weaker while 72s decreased \$19.50/cwt. Meanwhile, boneless picnics were \$6.50/cwt lower.

RETAIL: ¼ inch bone-in loins were \$9.50/cwt firmer while 1/8-inch cuts also increased \$3.00/cwt. Boneless strap-ons increased \$4.50/cwt while strap-offs were \$1.50/cwt firmer. Bone-in sirloins were \$0.50/cwt weaker while boneless sirloins were \$2.00/cwt firmer. Tenderloins were \$5.00/cwt weaker on average. 1/4" bone-in butts were \$3.50/cwt higher while boneless butts gained \$7.50/cwt. Light spareribs were down \$0.50/cwt while medium spareribs were up \$5.00/cwt.

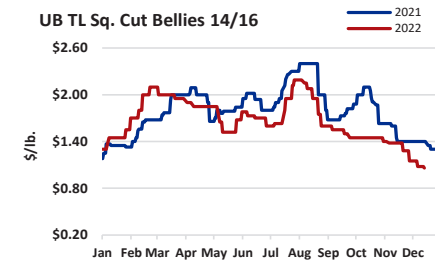
PORK PROCESSING ITEMS & RETAIL CUTS



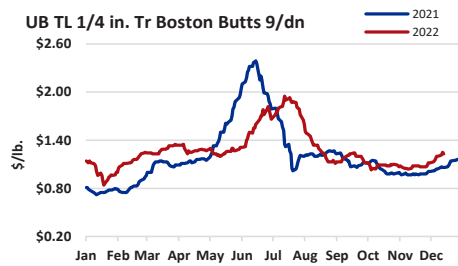
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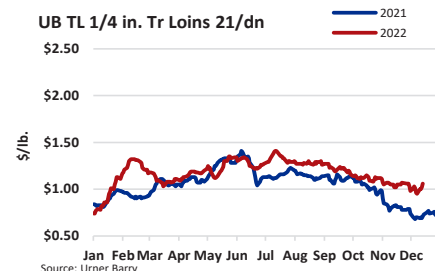
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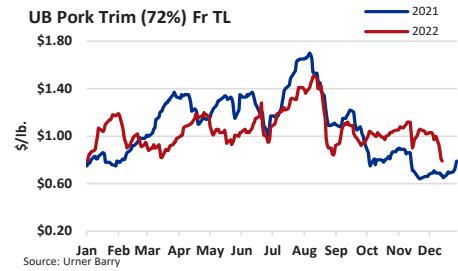
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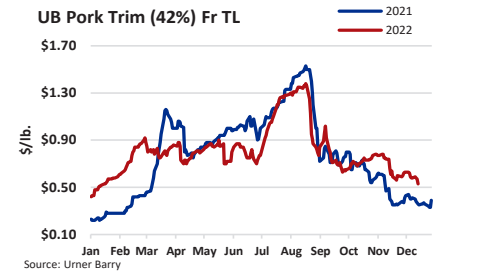
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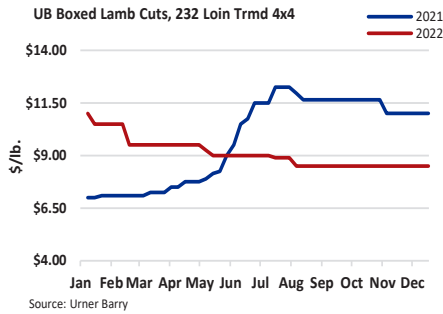
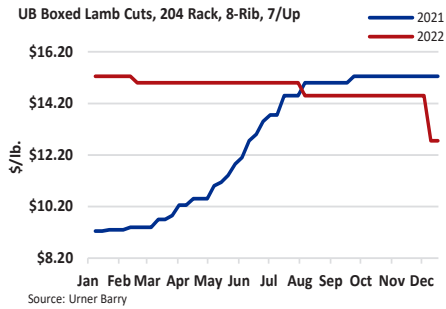
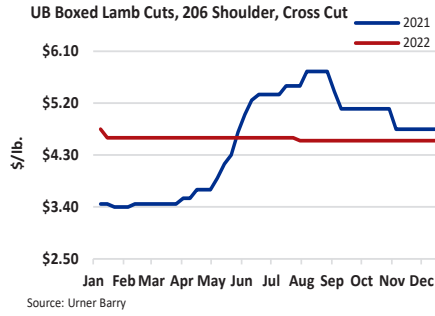
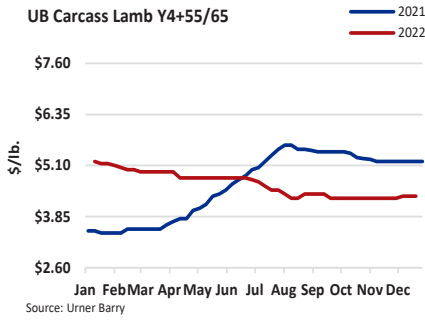


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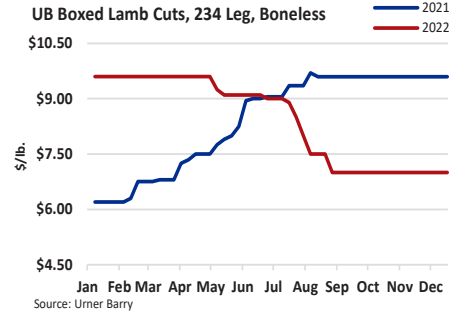
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LAMB

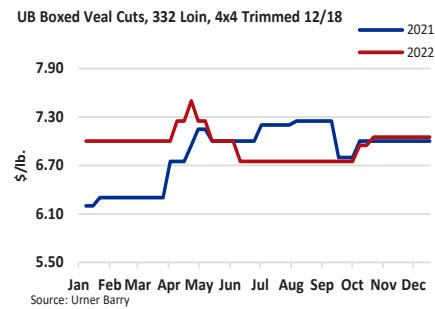
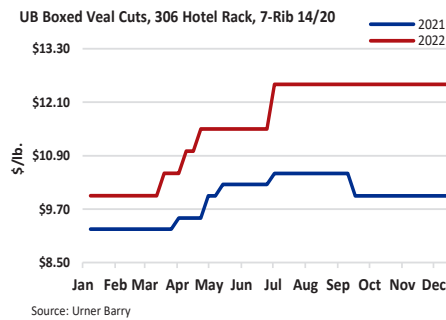
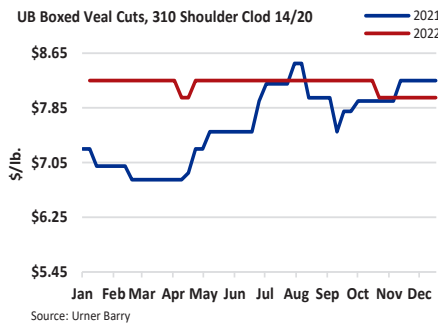
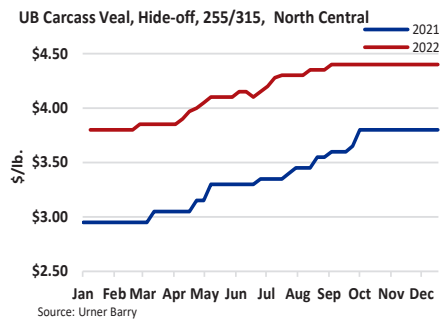


LAMB COMMENTARY

In domestic lamb this week, a generally steady undertone applied to the entire protein. Urner Barry's price quotes were unchanged, but racks and loins traded with a softer bias while shoulders, shanks, and legs were sideways. With holiday buying having largely ended, demand was moderate at best. Supplies remained adequate, but as demand declined supplies on the market grew slightly. In the most recent Estimated Meat Under Federal Inspection report, it was reported that 35,000 head were slaughtered, which was 2,000 less than last week and 3,000 less than the same period a year ago. For weights, the figure came in at 126 pounds which was even with last week and 3 pounds less than the same week a year ago.

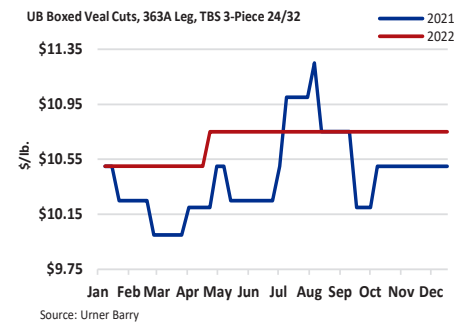


VEAL

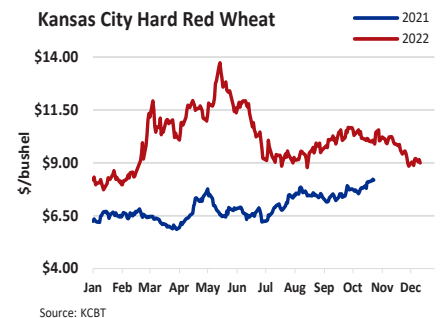
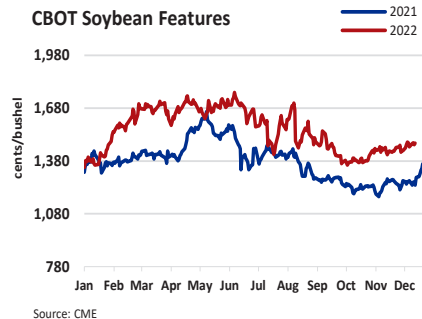
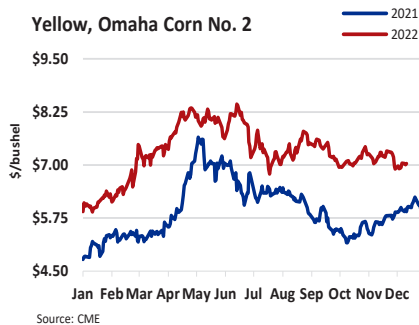


VEAL COMMENTARY

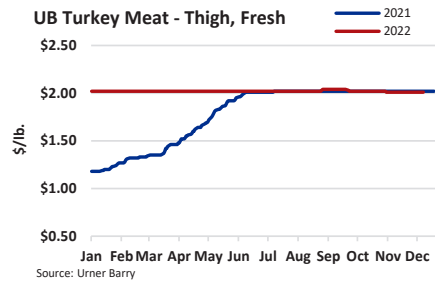
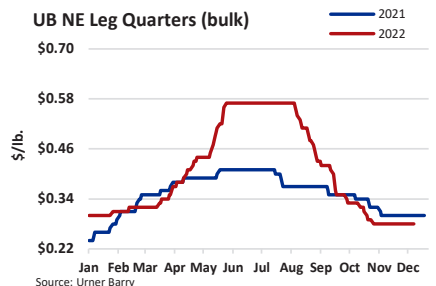
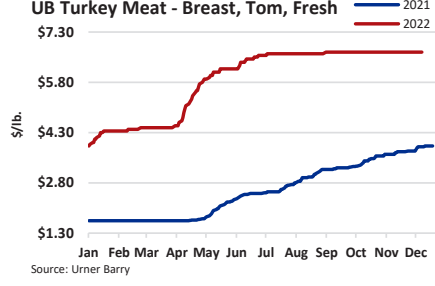
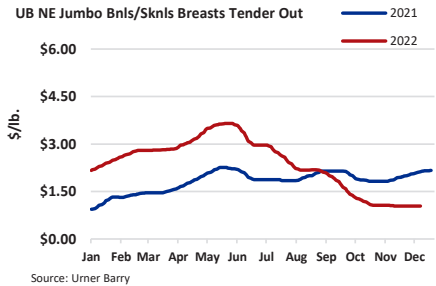
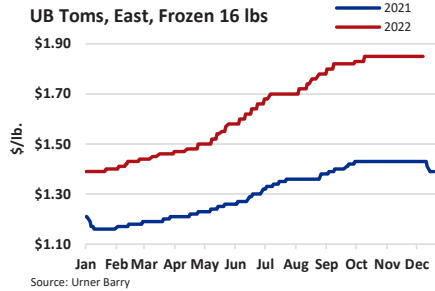
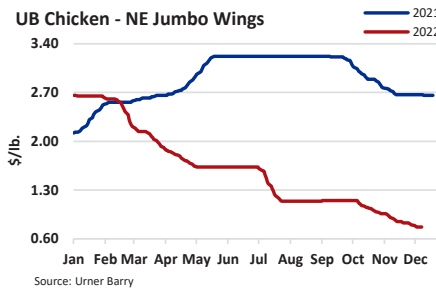
In veal this week, a largely steady undertone applied to the market. Minimal price volatility was noted as demand remained generally moderate while supplies were considered adequate. Participants did note that input costs for carcasses have declined, albeit modestly, but we have yet to see declines in wholesale prices. Holiday prep has largely ended as we are now halfway through December. In the most recent USDA Special Fed Veal Report, slaughter was at 2,667 head, which was slightly above last week while weights were generally even with last week's figure as well.



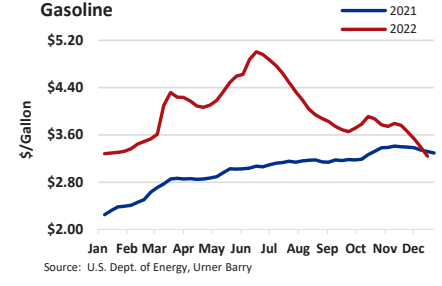
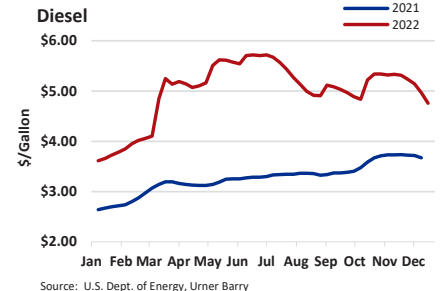
FEEDS: CORN, SOY BEAN, RED WHEAT



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

WOGs continue to be a mixed bag overall. Pressure remains in place for the 3-4 lb. birds, while the small and larger-sized WOGs continue to move with consistency. The undertone surrounding boneless breasts is highly irregular. This mostly has to do with how the product is packed. As a rule, combo-binned offerings are seeing the most downward values while boxes are inked at stable values. Wings of all sizes are in about steady shape, with jumbos feeling the most pressure. The bone-in back half is mostly uneventful. Supplies of thigh meat are fully adequate. Recent input paints leg meat in a similarly lackluster position.

Whole-body toms and hens continue to trend sideways to close the week. Consumer-sized breasts are available, while institutional sizes are a bit harder to unearth. Moving to parts, drums remain the most actively pursued. Whole wings

are subject to some slight pressure, but input has been thin. As for necks, tails, livers, and gizzards, offerings continue to make their way onto the street without immediate buyer interest. The raw materials segment remains hit or miss, as frozen tom and breeder breast meats continue to see downward pressure, and fresh tom is mostly maintained at current price points. Some have noted holiday-related complications are muddying the waters for fresh moving forward.

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