

Friday, December 02, 2022

Number 50- Volume 15

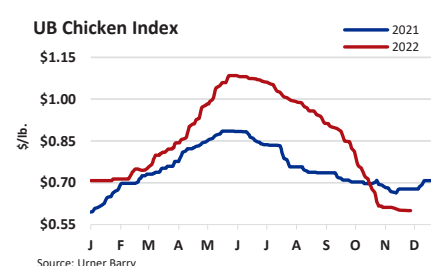
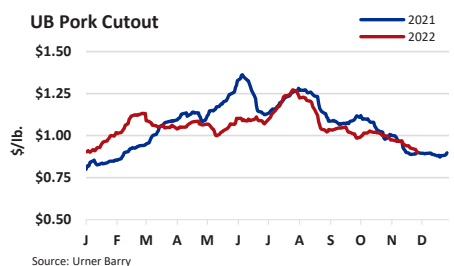
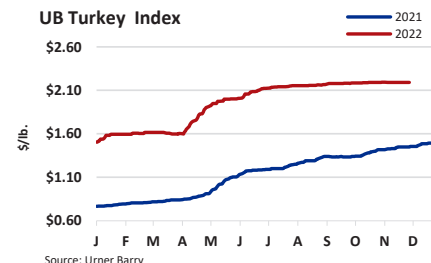
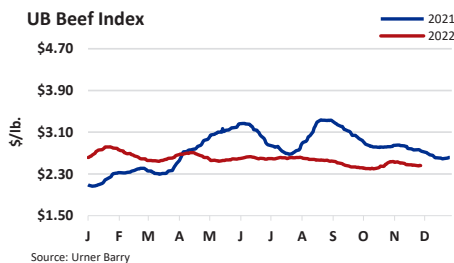
WEEKLY COMMODITY AT A GLANCE

	This Week	Last Week	Last Year
Omaha, US No 2 Yellow Corn	UNQ	UNQ	5.89
CBOT Soybean	1,438.50	1,436.00	1,267.25
NYMEX Light Crude Oil	79.98	77.94	66.26
Loose Lard, Chicago Basis	0.90	0.90	0.79
Edible Tallow, Chicago Basis	0.89	0.89	UNQ
Beef Trimmings, 90% Fresh	240.00	248.00	280.00
Beef Trimmings, 50% Fresh	85.00	76.00	108.00
Aust/NZ Blend Cow 90% EC Spot	242.00	247.00	297.00
USDA Drop Credit	0.147	0.146	0.142
112A 3 Ribeye Roll, Lip-On CH	1,150.00	1,050.00	1,050.00
116A 3 Chuck Roll, Neck-Off CH	330.00	410.00	360.00
168 3 Round, Top (Inside) CH	245.00	260.00	290.00
180 3 Strip Loin, Bnls, Ox1 CH	540.00	580.00	680.00
136 Coarse Ground 81%	200.00	225.00	250.00
189A 4 Loin, Tenderloin, PSMO CH	1,600.00	1,600.00	1,500.00
Cattle-Fax, 6-State Fed Steer Price	155.55	152.45	138.98
Select Hams 20/23	94.00	104.00	55.00
Sq Cut Bellies 14/16	115.00	128.00	140.00
1/4 Trmd. Loins 21/dn	103.00	105.00	74.00
1/4 Tr Boston Butts 9/dn	112.00	107.00	101.00
Spareribs, Light, Fresh	132.00	129.00	152.00
Fresh Pork Trim (42%)	63.00	56.00	43.00
Fresh Pork Trim (72%)	102.00	104.00	68.00
Carcass Lamb Y4+55/65	4.46	4.41	5.31
Lamb Cuts, 204 Rack, 8-Rib, 7/Up	14.50	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

	12/2	11/25	11/18
Weekly Imported Aust/NZ Blend Cow 90% EC 7:45	2.44	2.46	2.48
Weekly Weighted Average Blended Boxed Beef Cutout Index	249.35	250.68	252.11



EST. DAILY CATTLE SLAUGHTER

	M	T	W	TH	F	S	Total
TW	128	128	128	128	123	28	663
LW	128	129	129	0	121	87	594
*LY	121	124	124	124	120	69	682

EST. DAILY HOG SLAUGHTER

	M	T	W	TH	F	S	Total
TW	493	487	494	492	486	138	2,590
LW	488	492	457	0	465	318	2,220
*LY	483	479	479	483	472	260	2,656

EST. DAILY SHEEP SLAUGHTER

	M	T	W	TH	F	S	Total
TW	9	8	7	8	5	0	37
LW	9	10	5	0	5	0	29
*LY	11	8	7	8	6	0	41

EST. DAILY CALVES SLAUGHTER

	M	T	W	TH	F	S	Total
TW	2	1	1	1	1	0	6
LW	2	1	1	0	1	0	5
*LY	1	2	2	1	2	0	9

EST. DAILY COW & BULL SLAUGHTER

	F	S	M	T	W	TH	Total
LW	11/18	11/19	11/21	11/22	11/23	11/24	93
TW	11/25	11/26	11/28	11/29	11/30	12/1	154
*LY	25	14	25	27	29	28	148

*Last Year's numbers are rounded

FOREIGN EXCHANGE RATES

	This Week	Last Week	Last Year
Australia, Dollar	0.676	0.673	0.710
Mexico, Peso	19.262	19.375	21.286
Canada, Dollar	1.350	1.338	1.268
Japan, Yen	135.879	139.350	113.723
China, Yuan (RMB)	7.019	7.180	6.368
Brazil, Real	5.217	5.351	5.644
South Korea, Won	1,295.63	1,334.98	1,177.91
Taiwan, Dollar	30.621	30.945	27.746
European Union, Euro	1.045	1.037	1.124

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-02 v. Nov-23				
	CHOICE	SELECT	NO-ROLL	CAB
Rib	10.42%	5.79%	0.25%	2.03%
Chuck	-6.20%	-5.30%	-4.51%	-4.82%
Round	-3.72%	-4.70%	-4.49%	-1.27%
Loin	-1.56%	0.47%	0.31%	2.68%
Brisket	-2.94%	-5.53%	-5.53%	-0.31%
Plate	2.42%	2.42%	2.42%	2.16%
Flank	-0.40%	-0.41%	2.07%	1.15%
Total	-0.39%	-1.32%	-2.17%	-0.09%

BEEF

BEEF COMMENTARY

Cutout values trended slightly lower on the week as there continued to be a broad-based weakness within the market. The exception remained holiday favorites once again. Nonetheless, the lower values seen around the bulk of the complex sparked buyer interest. With a seasonally improving grade, we have seen asks across quality grades begin to tighten after reaching historically wide levels. Production efforts ramped back up following the shortened holiday week during a time where demand typically wanes considerably, leading sellers to aggressively discount product to be competitive against secondhand product.

LIVE CATTLE: Cash cattle prices in the South were steady to \$1.00/cwt higher at \$155.00/cwt live (full range \$153.00 to \$155.00/cwt live). Prices in the North were steady to \$2.00/cwt higher at \$157.00 to \$159.00/cwt live (full range \$155.00 to \$159.00/cwt live). Dressed trade was \$4.00/cwt higher at \$249.00/cwt dressed (full range \$242.00 to \$249.00/cwt).

SLAUGHTER & BEEF PRODUCTION: The weekly federally inspected slaughter was 663,000 head. Live weights ended the week two pounds higher at 1385 pounds. Dressed weights were up one pound to 837 pounds.

RIBS: The rib complex continued to be well supported throughout the week and saw values modestly increase across the board. With upper 2/3rds product still not meeting the demand levels of the market, buying interest continued to spill over into the commodities market. Retail was still in procurement mode for the holidays which left the complex with full steady tones.

CHUCKS: The chuck complex trended lower once again this week. Supply levels continued to heavily outweigh the demand seen in the market. It appeared most of the market had its needs met in prior weeks which led sellers to discount product to get bids to surface. But buyers continued to dig their heels in when placing bids. Chuck rolls were again the largest discounts in the complex, now trending lower three consecutive weeks.

ROUNDS: The round complex continued to look for a bottom this week. Insides inched their way lower along with peeled knuckles. Current quotations are leading some sellers to utilize knuckles for grinding material.

LOINS: The loin complex was closer to barely steady this week. Tenderloin values held steady, but production efforts have begun to put pressure on strips. Peeled butt tenders were the only item to buck this trend and saw a modest increase in quotations.

GROUND BEEF: Coarse grinds required some discounting around 73% and 81%. Primal sourced grinds were able to hold onto steady values. With Thanksgiving now behind us, we would typically see an increase in interest which would lead values higher but given the current production and competition protein picture, we haven't seen this materialize in the market yet.

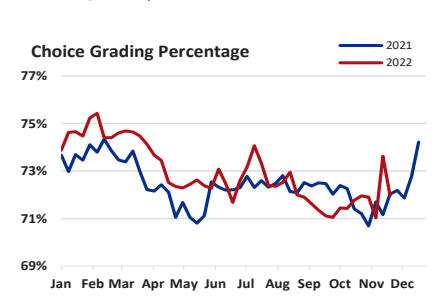
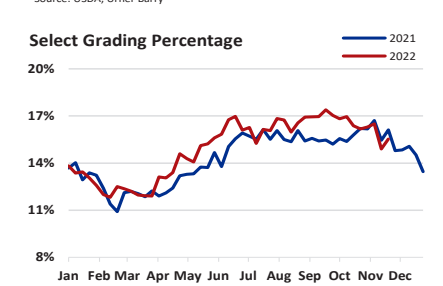
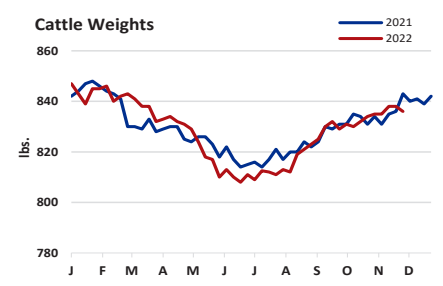
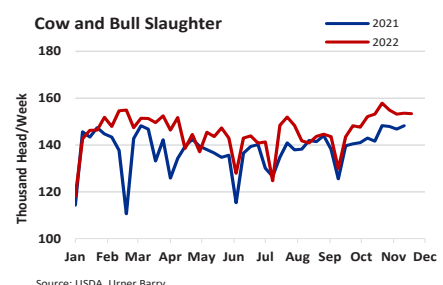
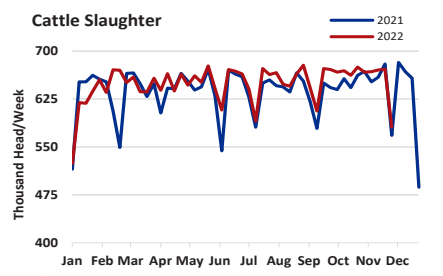
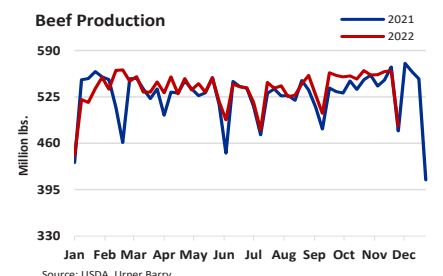
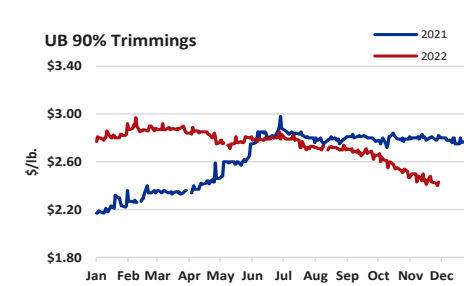
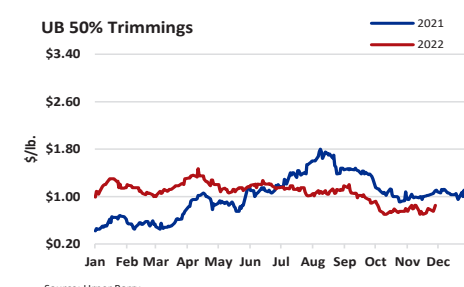
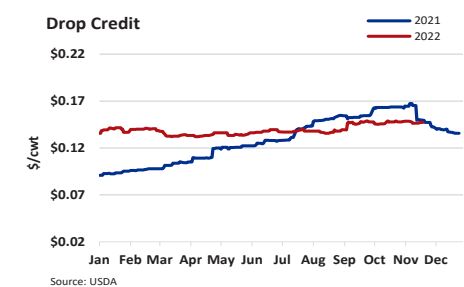
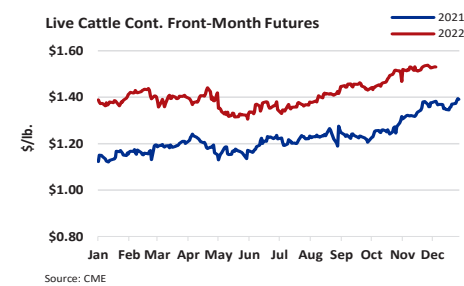
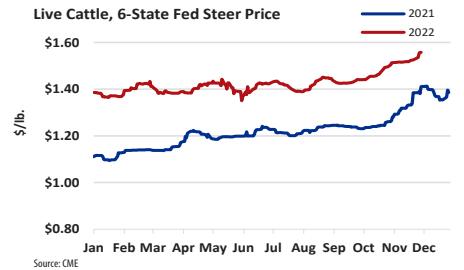
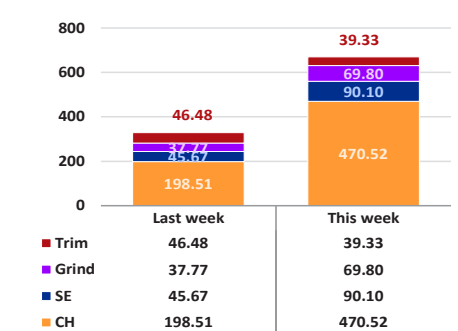
BONELESS BEEF: The market for fresh 90s trended lower as the week progressed. Product was more readily available. Cow and bull slaughter numbers continue to be strong. The fresh 50s were largely unsettled this week. Asking prices varied noticeably from packer to packer. This week's cattle slaughter was estimated at 663,000 head.

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

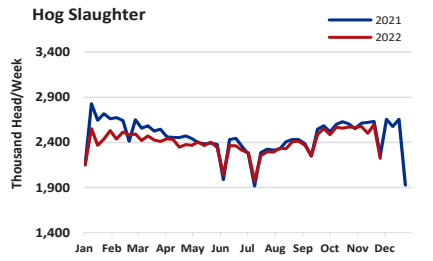
	M	T	W	TH	F
TW	24.33	25.67	26.37	26.03	24.75
*LW	25.69	24.61	22.73	-	-

*Last Week's numbers are rounded

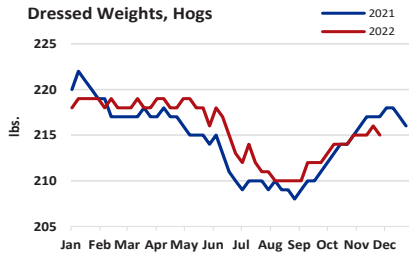
Weekly Beef Breakdown (# of loads) Source: USDA, Urner Barry
1 load = 40,000 lbs.



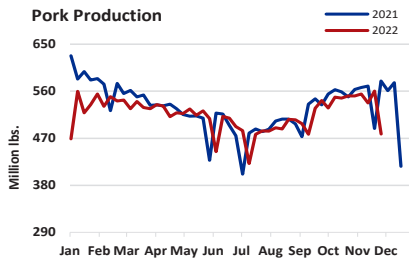
PORK PRODUCTION



Source: USDA, Urner Barry



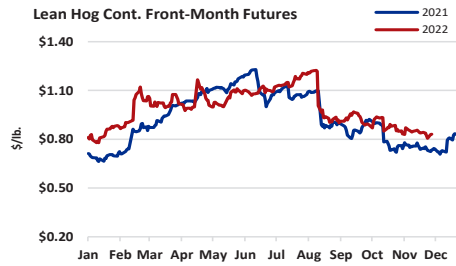
Source: USDA, Urner Barry



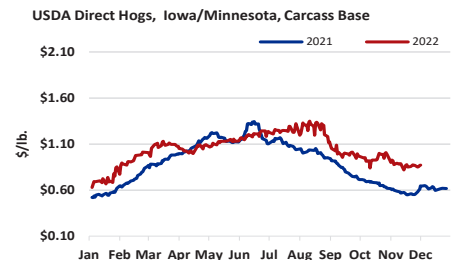
Source: USDA, Urner Barry

LIVE HOGS & CUTOUT

PORK CUTOUT	Nov-23	Dec-02	Change
Loin	85.290	85.130	-0.160
Butt	92.460	93.380	0.920
Picnic	89.630	89.540	-0.090
Sparerib	123.650	122.200	-1.450
Ham	97.740	93.040	-4.700
Belly	115.990	105.150	-10.840
Cutout Value	92.874	89.894	-2.98



Source: CME



Source: USDA, Urner Barry

PORK COMMENTARY

This week, seasonally expanded hog slaughter, post-holiday influences, and continued lackluster retail demand influenced pork trade. Urner Barry's pork carcass cutout decreased by 2.92 percent during the week. Estimates of margins for outside purchasers of hogs on Friday were - \$1.94/head while margins for vertically integrated packers were estimated at - \$18.84/head.

PORK PRODUCTION: Pork production for the week ending 12/03/2022 was estimated to be 557.8 million pounds. This was 17.2 percent higher than last week and a 3.7 percent decrease from a year ago. Live hog weights averaged 290 pounds for the week, which was even with last week and 3 pounds under a year ago.

GREEN MEATS: In the ham market, bone-in items were under pressure this week amid a decrease in export interest and a reduction in processor demand. For boneless hams, as we neared the end of holiday prep, interest diminished, resulting in a decrease in price levels. For bellies, an unsettled tone applied as supplies varied greatly by location this week. In trim, most items traded slightly lower than their recently established ranges, though 42s and 72s continued to trade at year-over-year weekly all-time highs.

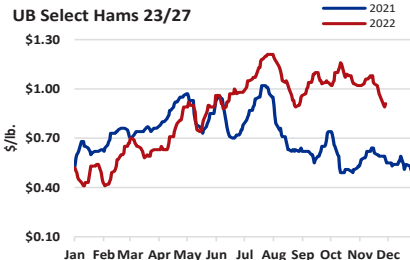
HAMS: Bone-in ham values were \$6.50/cwt to \$7.00/cwt weaker, while boneless cuts were flat to \$6.00 weaker.

BELLIES: Skinless bellies were \$7.50/cwt to \$9.00/cwt weaker.

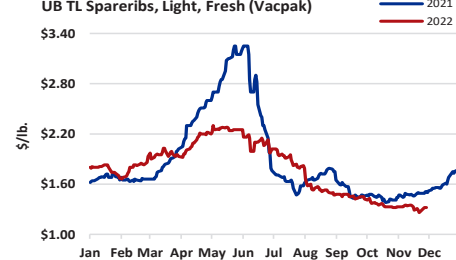
TRIMMINGS: 42s were \$3.50/cwt firmer while 72s decreased \$5.00/cwt. Meanwhile, boneless picnics were \$1.50/cwt lower.

RETAIL: ¼ inch bone-in loins were \$4.00/cwt lower while 1/8-inch cuts increased \$1.00/cwt. Boneless strap-ons decreased \$2.50/cwt while strap-offs were \$0.50/cwt firmer. Bone-in sirloins were \$3.00/cwt weaker while boneless sirloins were generally unchanged. Tenderloins were \$5.00/cwt stronger on average. 1/4" bone-in butts were \$5.00/cwt higher while boneless butts lost \$1.50/cwt. Light spareribs were up \$6.00/cwt while medium spareribs declined by \$1.50/cwt.

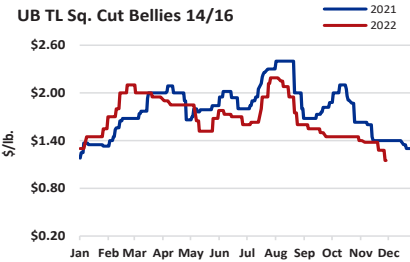
PORK PROCESSING ITEMS & RETAIL CUTS



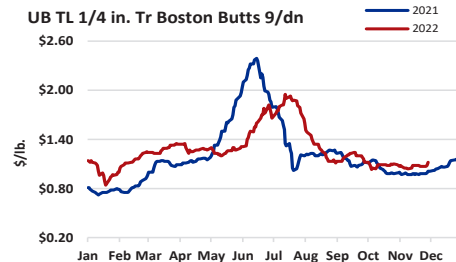
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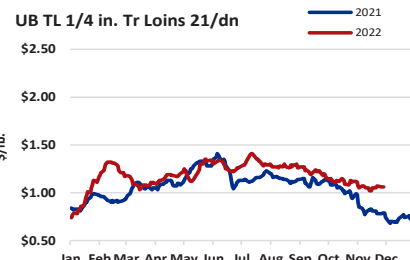
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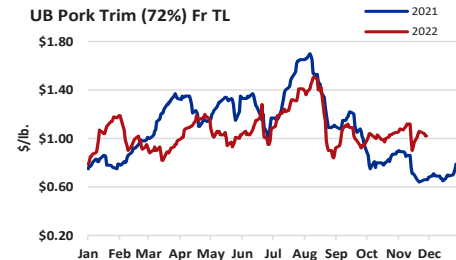
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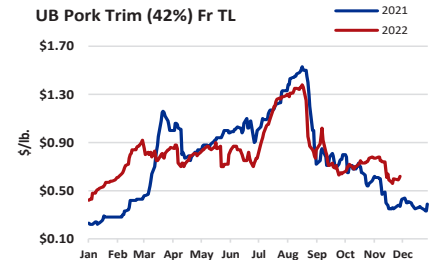
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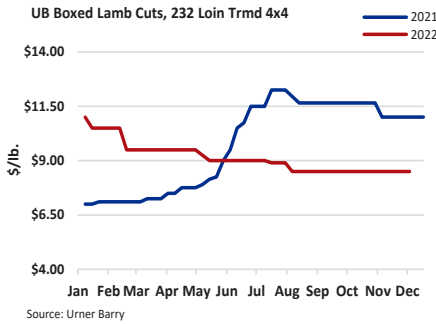
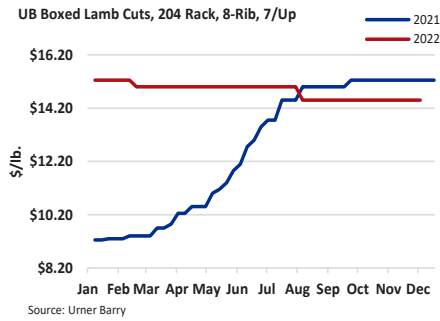
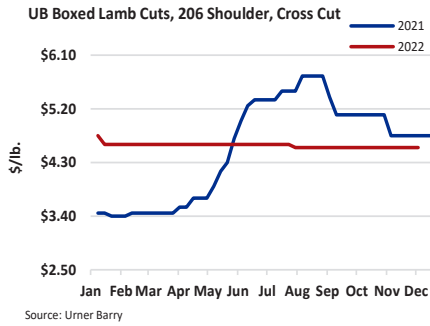
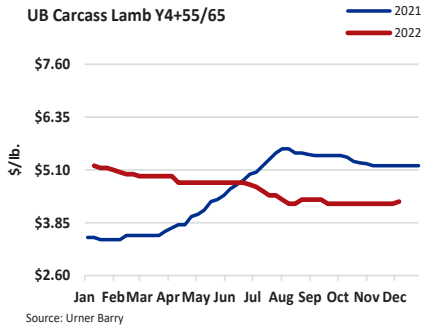


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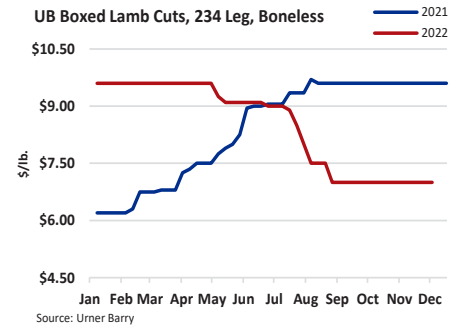
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LAMB

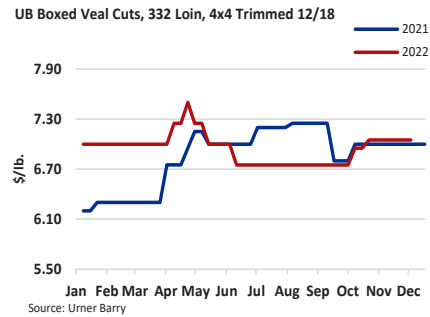
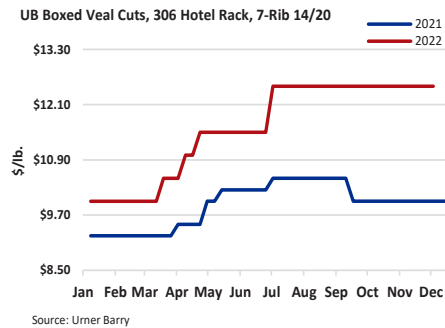
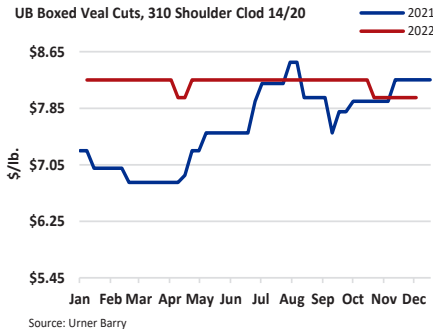
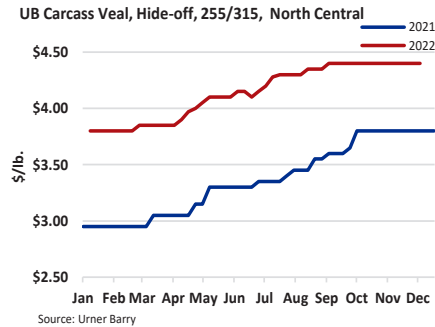


LAMB COMMENTARY

In domestic lamb this week, carcasses traded modestly higher while boxed cuts were generally steady. A large majority of trade occurred near or within Urner Barry's price ranges. Participants reported that demand has heated up around the holidays, which is a typical seasonal influence we expect to see. In terms of demand, loins saw moderate at best demand while consumers continued to have strong interest in racks. In the most recent Estimated Meat Production Under Federal Inspection, lamb slaughter was at 29,000 head, which was 9,000 lower than the previous week and 5,000 under a year ago. For weights, the figure came in at 126 pounds which was 1 pound heavier than both last week and a year ago.

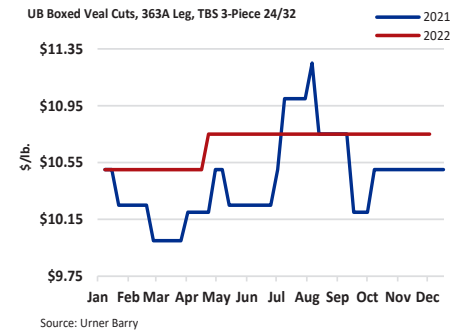


VEAL

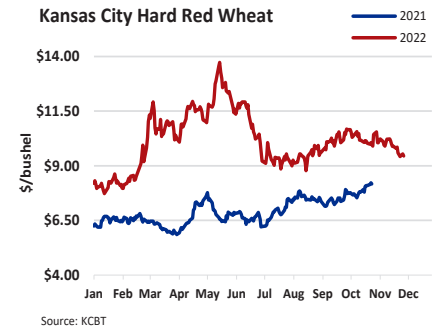
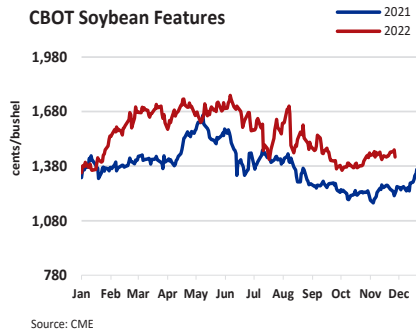
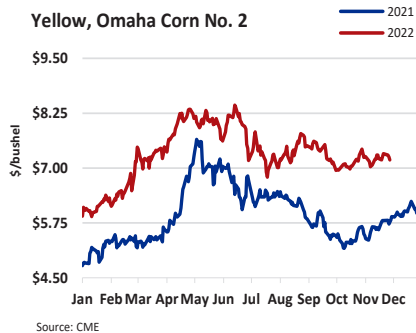


VEAL COMMENTARY

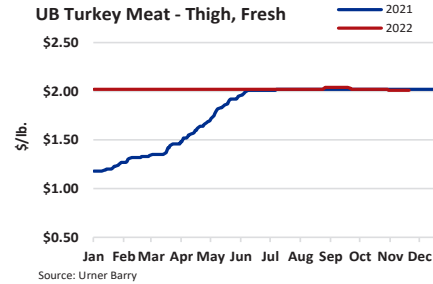
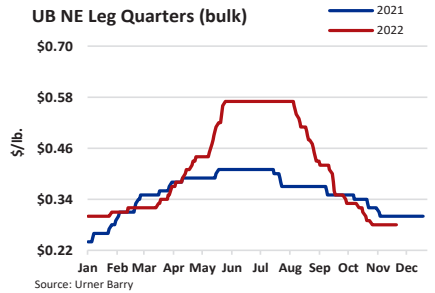
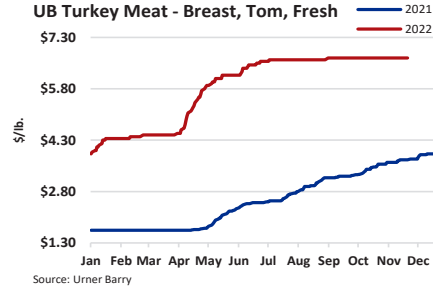
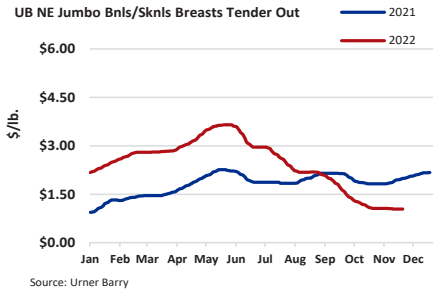
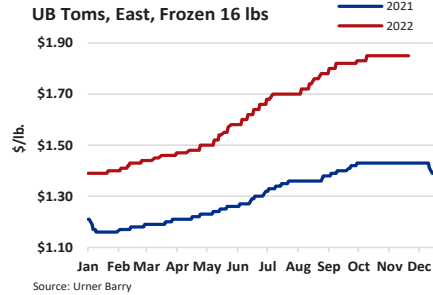
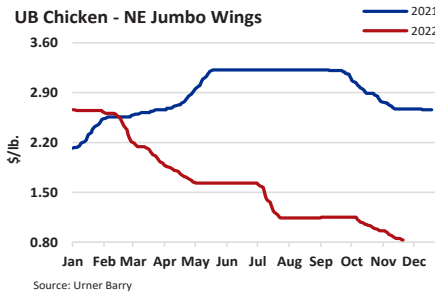
In veal this week, shifting undertones were noted. While carcasses remained generally steady, tenderloins, foreshanks, and hind shanks saw increases as demand around the holidays improved. Other items were under pressure, such as legs. Underlying influences, such as expensive input costs and trucking issues remained apparent this week. In the most recent USDA Special Fed Veal Report, slaughter was at 2,525 head, which was slightly under last week's figure of 2,705. For weights, the figure came in at 295.7 pounds, which was 1.5 pounds heavier than last week.



FEEDS: CORN, SOY BEAN, RED WHEAT



POULTRY



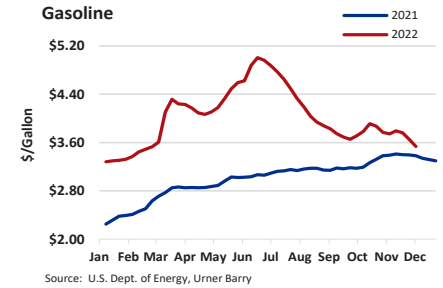
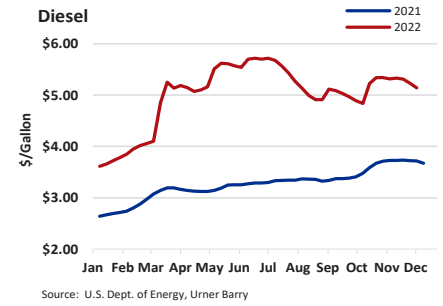
POULTRY COMMENTARY

WOGs and whole chickens are well-supported overall, with pockets of strong demand noted. The undertone for boneless breasts varies some but is largely steady. Tenders are well-cleared while wings continue to be a tough sell. This is particularly true in regard to jumbo and medium-sized offerings. Chunk and trim remain unevenful and rated about steady. Legs, leg meat, and leg quarters are stable overall and are trending sideways. Thighs, thigh meat, and drumsticks continue to struggle in attracting consistent buyer interest.

Whole turkeys remain mostly well-cleared and are held with confidence by most. Consumer-sized breasts are being uncovered with increased frequency due to slowing seasonal buyer interest. Institutional sizes remain steady overall. Moving to parts, drums, and whole wings are sought after with regularity and inked

at full market or higher levels. Necks, tails, livers, and gizzards all remain somewhat unsettled due to ongoing trade restrictions and slow domestic demand. The raw materials complex is somewhat unsettled as demand for select lines such as frozen tom and breeder breast meat retreats. Fresh tom meat is mostly steady. Thigh meat buying interest continues to absorb most offerings at supportive values.

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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