

Friday, December 09, 2022

Number 51- Volume 15

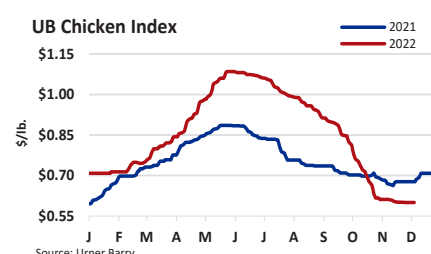
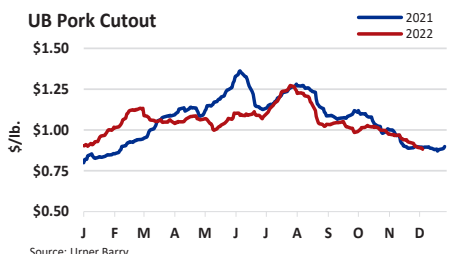
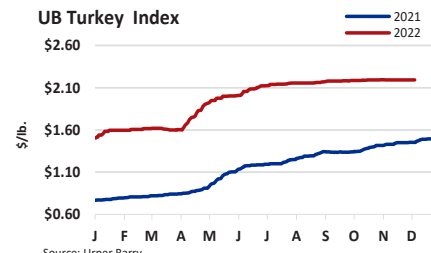
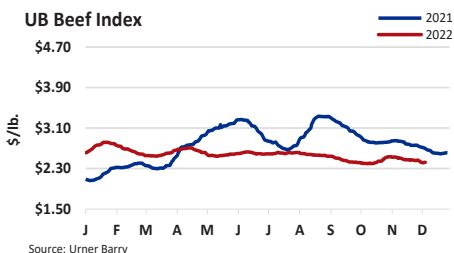
WEEKLY COMMODITY AT A GLANCE

	This Week	Last Week	Last Year
Omaha, US No 2 Yellow Corn	UNQ	6.96	5.95
CBOT Soybean	1,483.75	1,438.50	1,259.50
NYMEX Light Crude Oil	71.02	79.98	70.73
Loose Lard, Chicago Basis	0.80	0.90	0.79
Edible Tallow, Chicago Basis	0.84	0.89	UNQ
Beef Trimmings, 90% Fresh	242.00	240.00	276.00
Beef Trimmings, 50% Fresh	83.00	85.00	106.00
Aust/NZ Blend Cow 90% EC Spot	242.00	242.00	295.00
USDA Drop Credit	0.143	0.147	0.140
112A 3 Ribeye Roll, Lip-On CH	1,250.00	1,150.00	1,000.00
116A 3 Chuck Roll, Neck-Off CH	325.00	330.00	340.00
168 3 Round, Top (Inside) CH	240.00	245.00	280.00
180 3 Strip Loin, Bnls, 0x1 CH	555.00	540.00	630.00
136 Coarse Ground 81%	190.00	200.00	220.00
189A 4 Loin, Tenderloin, PSMO CH	1,600.00	1,600.00	1,450.00
Cattle-Fax, 6-State Fed Steer Price	156.30	155.55	141.31
Select Hams 20/23	89.00	94.00	54.00
Sq Cut Bellies 14/16	108.00	115.00	140.00
1/4 Trmd. Loins 21/dn	96.00	103.00	70.00
1/4 Tr Boston Butts 9/dn	120.00	112.00	107.00
Spareribs, Light, Fresh	128.00	132.00	155.00
Fresh Pork Trim (42%)	58.00	63.00	38.00
Fresh Pork Trim (72%)	99.00	102.00	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

	12/9	12/2	11/25
Weekly Imported Aust/NZ Blend Cow 90% EC 7:45	2.43	2.44	2.46
Weekly Weighted Average Blended Boxed Beef Cutout Index	240.86	249.35	250.68



EST. DAILY CATTLE SLAUGHTER

	M	T	W	TH	F	S	Total
TW	127	128	127	126	120	24	652
LW	128	128	128	128	123	28	663
*LY	121	124	120	122	123	57	668

EST. DAILY HOG SLAUGHTER

	M	T	W	TH	F	S	Total
TW	483	491	484	490	484	140	2,572
LW	493	487	494	492	486	138	2,590
*LY	455	471	477	472	468	233	2,576

EST. DAILY SHEEP SLAUGHTER

	M	T	W	TH	F	S	Total
TW	8	8	7	7	5	0	35
LW	9	8	7	8	5	0	37
*LY	11	8	7	8	5	0	38

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	11/25	11/26	11/28	11/29	11/30	12/1	154
TW	12/2	12/3	12/5	12/6	12/7	12/8	152
*LY	27	15	26	28	29	27	152

*Last Year's numbers are rounded

FOREIGN EXCHANGE RATES

	This Week	Last Week	Last Year
Australia, Dollar	0.678	0.676	0.711
Mexico, Peso	19.766	19.262	21.005
Canada, Dollar	1.363	1.350	1.283
Japan, Yen	136.044	135.879	113.495
China, Yuan (RMB)	6.955	7.019	6.366
Brazil, Real	5.264	5.217	5.640
South Korea, Won	1,301.17	1,295.63	1,183.69
Taiwan, Dollar	30.643	30.621	27.826
European Union, Euro	1.056	1.045	1.131

COLD STORAGE STOCKS

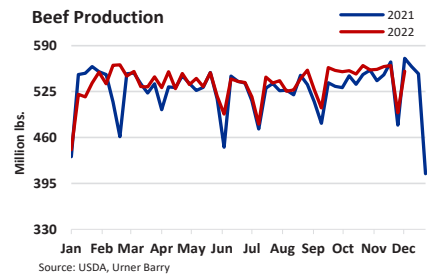
(Pounds in Thousands)	10/31/21	9/30/22	10/31/22
Beef in Freezer, Bnls	432,452	473,338	460,103
Cuts	41,311	52,832	49,846
Total Beef	473,763	526,170	509,949
PORK & OTHER	10/31/21	9/30/22	10/31/22
Pork in Freezer, Picnics	6,360	6,428	6,734
Hams	150,043	159,488	121,406
Bellies	11,614	36,513	40,196
Loins	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 UrnerBarry's flagship service Comtell Online. FoodMarket is available for \$37.00 a month.

UB BEEF CUTOUT Dec-09 v. Dec-02				
	CHOICE	SELECT	NO-ROLL	CAB
Rib	4.58%	-2.24%	-0.16%	6.03%
Chuck	-1.54%	-7.81%	-8.10%	-1.06%
Round	-3.73%	-2.74%	-2.41%	-3.29%
Loin	-0.94%	0.22%	-0.79%	-4.60%
Brisket	-3.93%	-3.13%	-5.86%	-4.93%
Plate	-3.39%	-3.39%	-3.39%	-1.93%
Flank	-2.50%	-5.21%	-3.92%	-1.02%
Total	-0.50%	-3.31%	-3.49%	-1.05%

BEEF



BEEF COMMENTARY

Cutout values inched up slightly on the week carried by holiday rib orders. Unsettled trade became the norm within the rest of the complex. Clean-up efforts were noted throughout the week with shortened production weeks along the horizon. Spreads between quality grades continued to compress further, especially around end cuts. Buyers and sellers alike remained skeptical about what is in store for beef demand going forward as the macroeconomic picture is painted with uncertainty.

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 652,000 head. Live weights ended the week flat at 1385 pounds. Dressed weights were also unchanged at 837 pounds.

RIBS: Ribs were once again well supported throughout the week. Those with quick ship needs found themselves searching far and wide and not coming back with much to show for those efforts. A two-tiered market was beginning to surface as trading windows move past holiday dates.

CHUCKS: Last week's picture remained in-tact throughout the current. Demand was heavily outweighed by supplies which generally led values lower throughout the chuck complex. Trading ranges widened as a disparity among positions was evident.

ROUNDS: Clean-up efforts were on going throughout the week. Buyers continued to dig their heels in with bids and left sellers with little choice other than to entertain these bids as an abundance of supply was evident. Quotations still offered value to those utilizing whole cuts for grinding purposes.

LOINS: Steady trade was established throughout most of the week which generally left values unchanged in the loin complex. Buyers were still finding value around these items and had little trouble finding material. This was one area that buyers and sellers were in agreement.

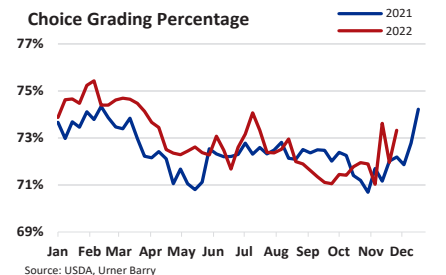
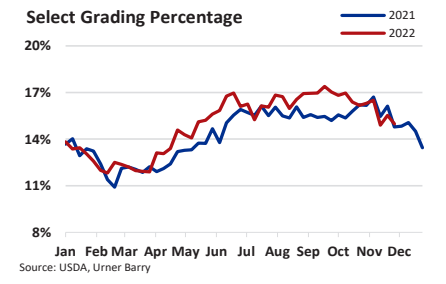
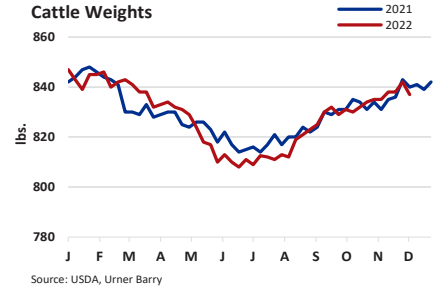
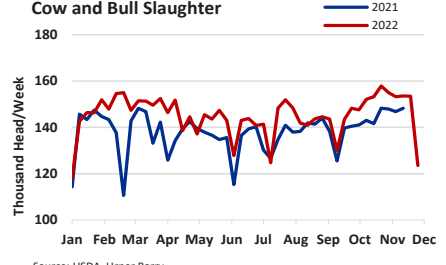
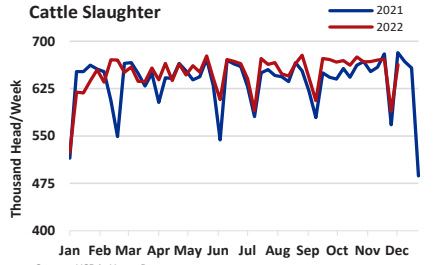
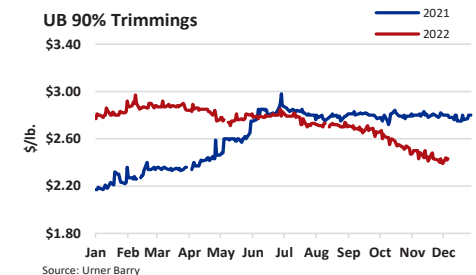
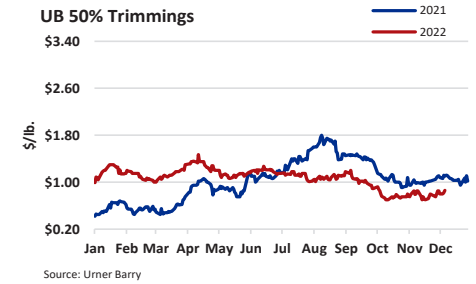
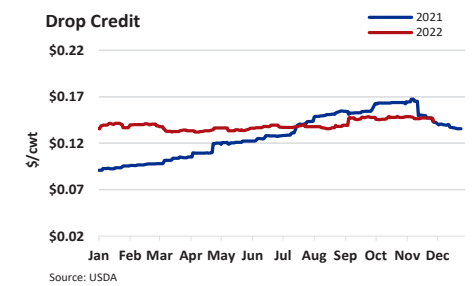
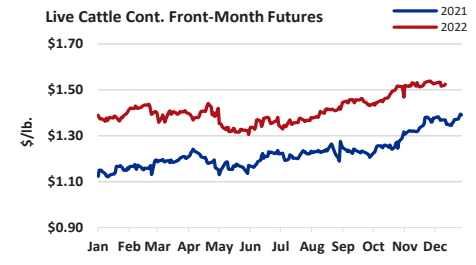
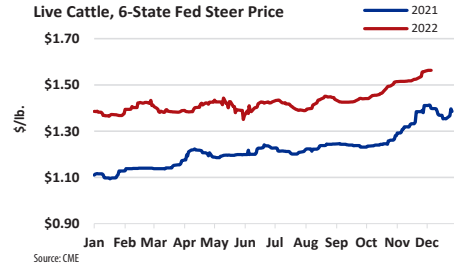
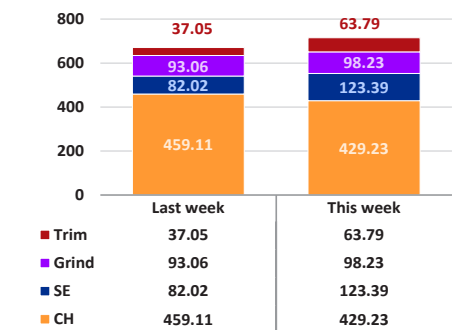
GROUND BEEF: Slaughtering kept on a steady pace this week leaving supplies in the grinds complex almost burdensome. Enticing buyers required discounting again but not with the aggression seen in previous weeks. Irregular supplies led to unsettled trade throughout most of the week. The competitive landscape among other proteins may be keeping a lid on value increases.

BONELESS BEEF: Fresh 90s were mixed this week. Trade seemed to be largely rangebound. Lower priced alternatives were reportedly readily available. Fresh 50s started the week off under some downward pressure. Later in the week several packers edged production hours lower which seemed to provide a better backdrop to expectations. This week's cattle slaughter was estimated at 652,000 head.

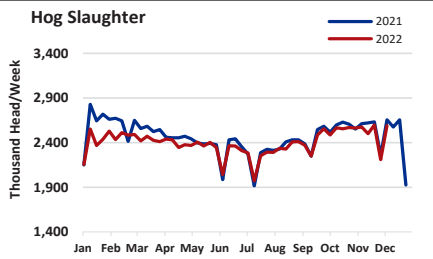
UB BEEF CUTOUT-CH/SE SPREAD (\$/cwt)					
	M	T	W	TH	F
TW	27.96	26.90	30.47	30.47	30.97
*LW	24.33	25.67	26.37	26.03	24.75

*Last Week's numbers are rounded

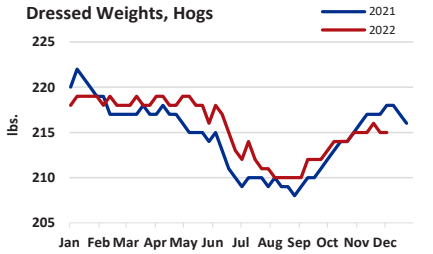
Weekly Beef Breakdown (# of loads) Source: USDA, Urner Barry
1 load = 40,000 lbs.



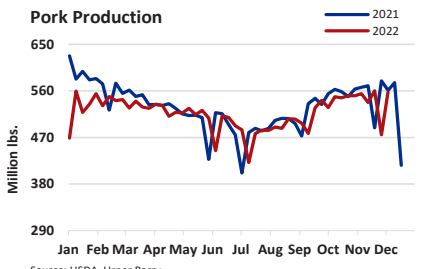
PORK PRODUCTION



Source: USDA, Urner Barry



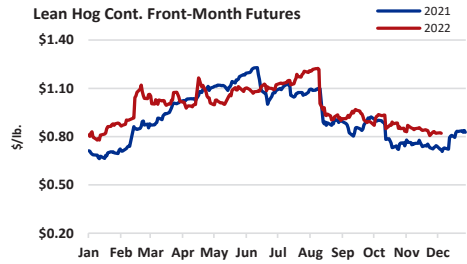
Source: USDA, Urner Barry



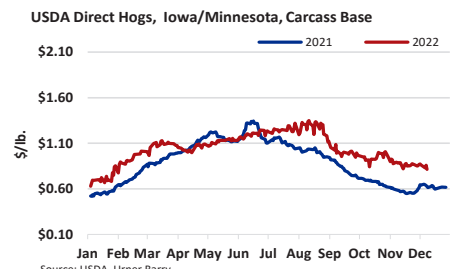
Source: USDA, Urner Barry

LIVE HOGS & CUTOUT

PORK CUTOUT	Dec-02	Dec-09	Change
Loin	85.130	81.310	-3.820
Butt	93.380	98.150	4.770
Picnic	89.540	90.860	1.320
Sparerib	122.200	120.030	-2.170
Ham	93.040	87.650	-5.390
Belly	105.150	99.550	-5.600
Cutout Value	89.894	87.161	-2.733



Source: CME



Source: USDA, Urner Barry

PORK COMMENTARY

This week, seasonal influences, lackluster retail and food service interest, reduced processor demand, and the seasonally expanded hog slaughter influenced pork trade. Urner Barry's pork carcass cutout decreased by 3.04 percent during the week. Estimates of margins for outside purchasers of hogs on Friday were - \$0.60/head while margins for vertically integrated packers were estimated at - \$22.82 /head.

PORK PRODUCTION: Pork production for the week ending 12/10/2022 was estimated to be 553.6 million pounds. This was 0.8 percent less than last week and a 1.4 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, both bone-in and boneless hams were under pressure. For bone-in hams, reduced export interest to Mexico and reduced domestic processor demand resulted in fully adequate supplies which put pressure on the market. For boneless hams, continued lackluster export demand from Japan and the ending of Christmas prep led to declines across the cut. The belly market was highly unsettled with a weaker bias amid ample supplies and lackluster retail bacon demand. In trim, a steady to weaker tone applied as 42s and 72s saw availability grow while demand slowed.

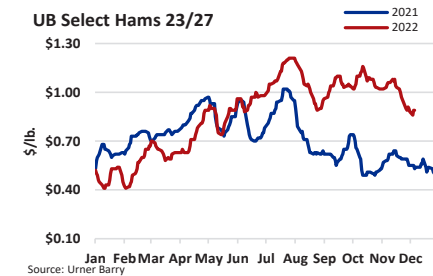
HAMS: Bone-in ham values were \$1.50/cwt to \$5.50/cwt weaker, while boneless cuts were \$8.00 to \$12.50/cwt weaker.

BELLIES: Skinless bellies were \$3.50/cwt to \$23.50/cwt weaker.

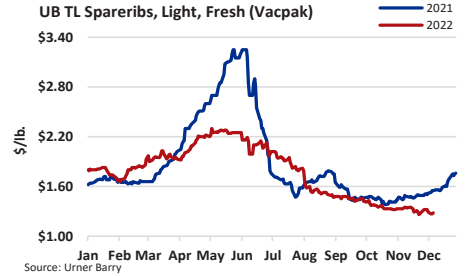
TRIMMINGS: 42s were \$4.50/cwt weaker while 72s decreased \$3.00/cwt. Meanwhile, boneless picnics were \$3.00/cwt higher.

RETAIL: ¼ inch bone-in loins were \$6.50/cwt lower while 1/8-inch cuts decreased \$11.50/cwt. Boneless strap-ons increased \$0.50/cwt while strap-offs were \$0.50/cwt firmer. Bone-in sirloins were \$1.50/cwt firmer while boneless sirloins were \$1.50/cwt firmer. Tenderloins were \$5.00/cwt stronger on average. 1/4" bone-in butts were \$7.50/cwt higher while boneless butts gained \$2.00/cwt. Light spareribs were down \$4.00/cwt while medium spareribs declined by \$0.50/cwt.

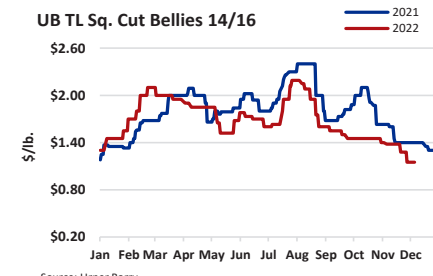
PORK PROCESSING ITEMS & RETAIL CUTS



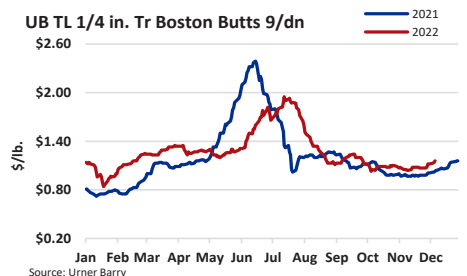
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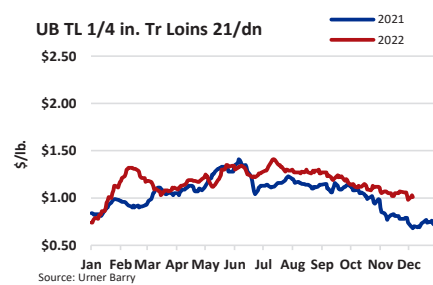
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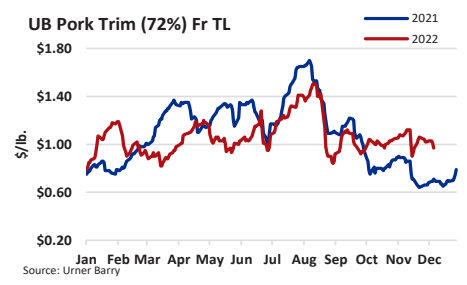
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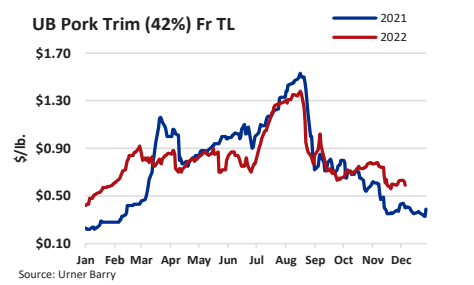
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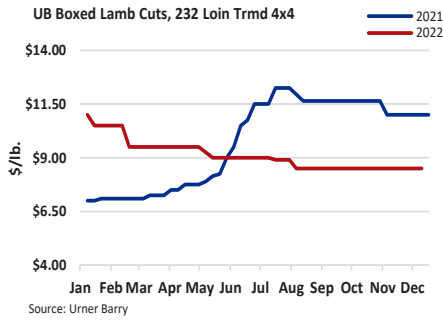
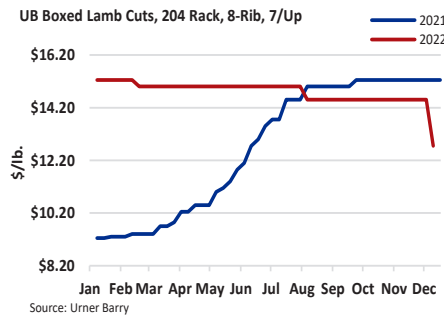
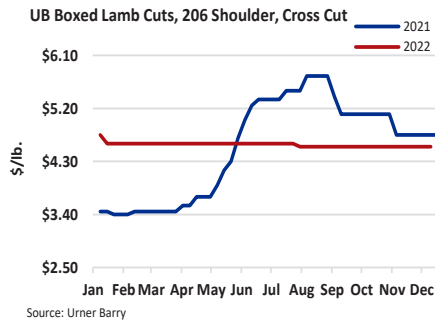
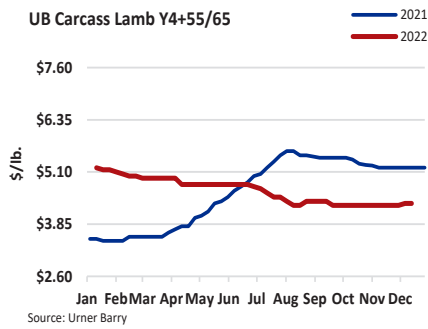


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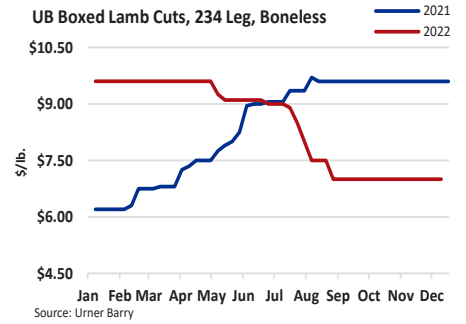
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LAMB

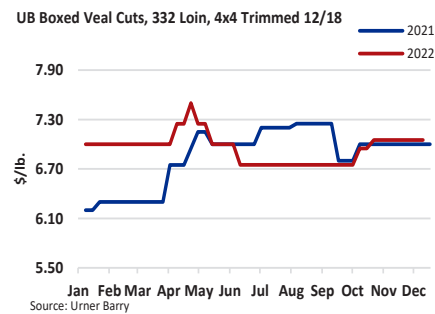
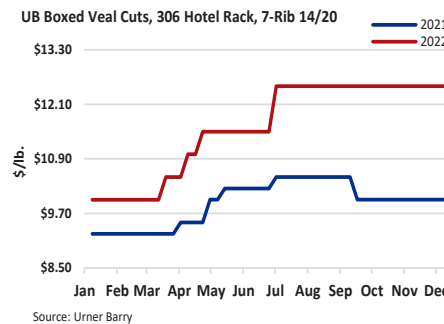
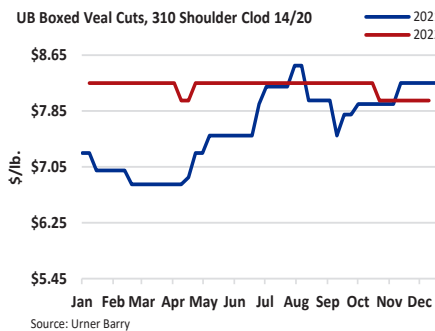
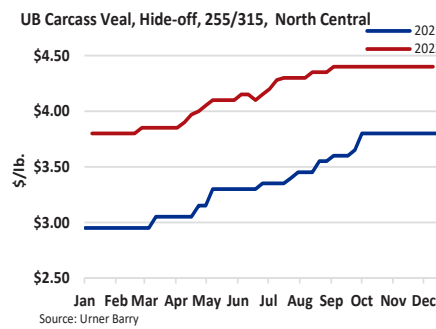


LAMB COMMENTARY

In domestic lamb this week, carcasses were generally steady while racks saw declines. As the prep leading up to the Christmas holiday has largely ended, a reduction in demand for boxed cuts has been witnessed. While supplies have remained roughly the same, the dull demand pushed prices downward. Competing imported lamb came in competitively priced, which put further pressure on the market. In the Estimated Weekly Meat Production Under Federal Inspection report 37,000 head were slaughtered, versus 29,000 last week and 41,000 for the same period a year ago. For weights, the figure came in at 126 pounds, which was even with last week and 2 pounds under a year ago.

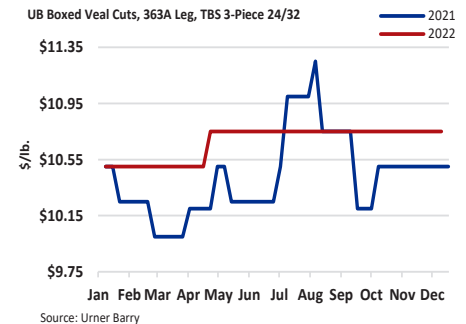


VEAL

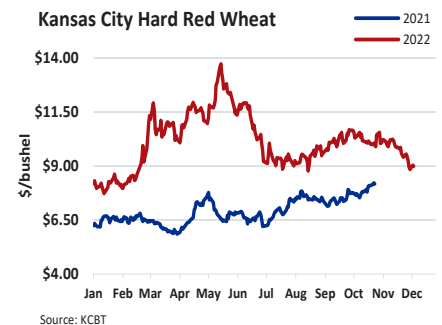
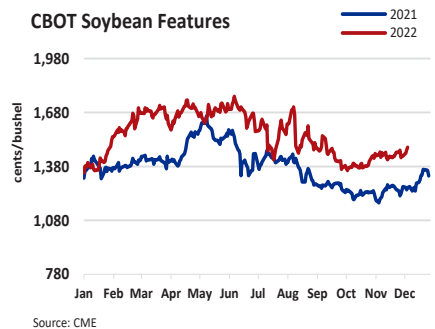
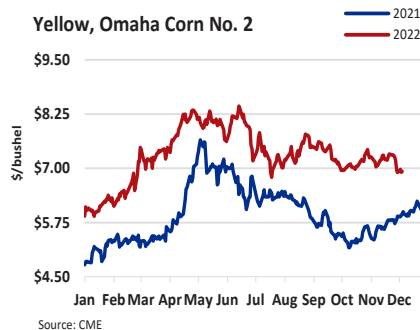


VEAL COMMENTARY

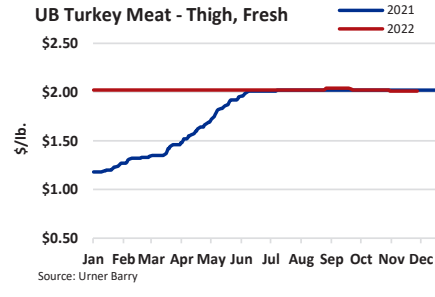
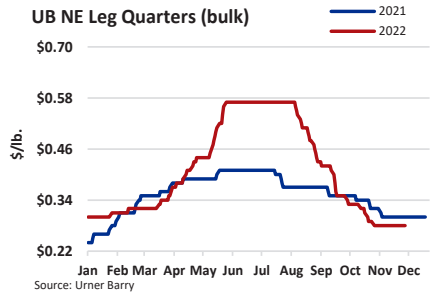
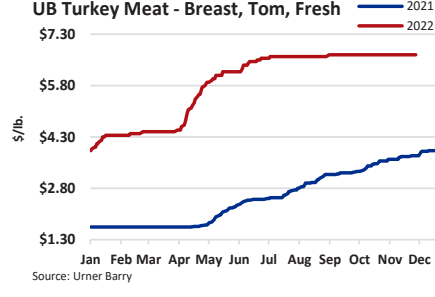
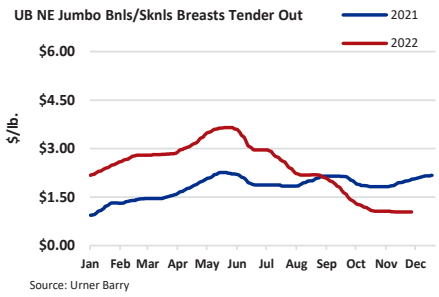
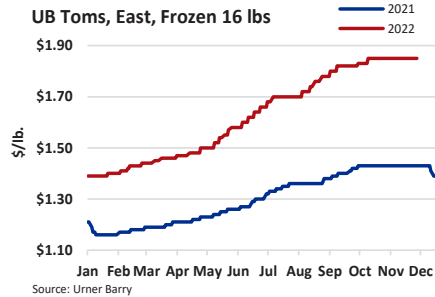
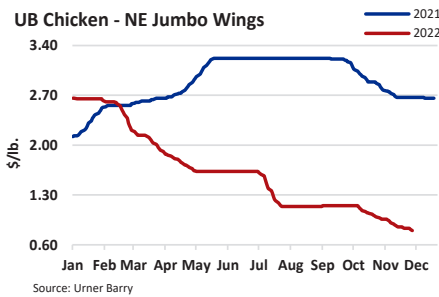
In Veal this week, a generally steady undertone applied. Price action was limited. Demand was relatively moderate, as it typically is around holiday time. Racks and hindshanks remained at all-time highs while shoulders and various leg items were at 52-week lows, according to Urner Barry's prices. In the most recent USDA Special Fed Veal report, last week's figure was reported at 2,593 head, which was slightly above the previous period. For weights, the number came in at 291.4 pounds which was 4.3 pounds less than the previous week.



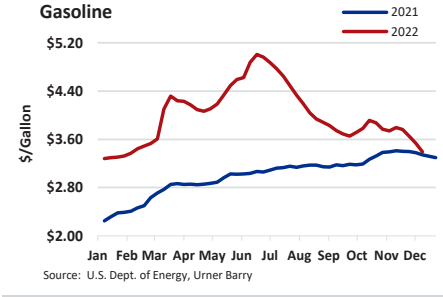
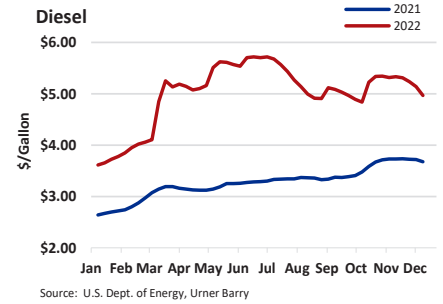
FEEDS: CORN, SOY BEAN, RED WHEAT



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

WOGs were set an irregular backdrop throughout much of the week with product availability highly dependent on the plant and region in question. Offerings at lower levels continue to exist as do pockets of unavailability. The undertone for jumbo boneless is similarly mixed but some optimism exists for next week. Tenders continue to move with consistency at supportive price points. As for wings, small and medium sizes are mostly maintained with some more bullish than others, while jumbos continue to be weak overall. Chunk and trim meats are becoming increasingly difficult to source. Moving to the back half, all lines remain flat and are trending sideways. Thigh meat continues to be the most pressured but some players on the sell side have reported a better

outlook into next week. Whole-body toms and hens remain well-cleared. Consumer-sized breasts are uneventful with a seasonal retreat in demand noted. Institutional sizes continue to be challenging for prospective buyers to find consistently. In the part complex, drums remain the most actively pursued line. Whole wings are mixed overall. Two-joint wings are well-cleared and rated steady. Elsewhere, necks, tails, gizzards, and livers remain under varying degrees of pressure. Frozen breast meat, along with fresh breeder meat, are beginning to be inked at lower levels in response to slower seasonal demand. Fresh tom meat is stable at listed levels. Tenderloins are in decent shape overall.

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