

Friday, February 10, 2023

Number 08- Volume 16

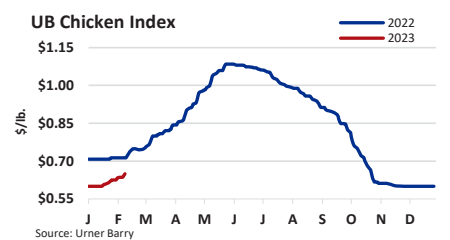
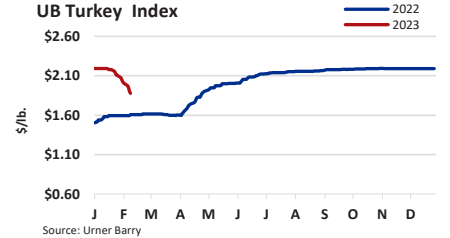
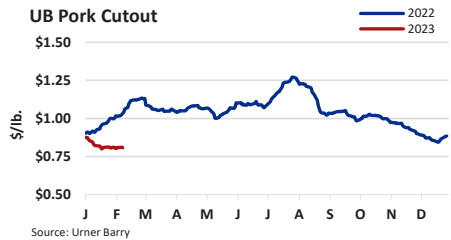
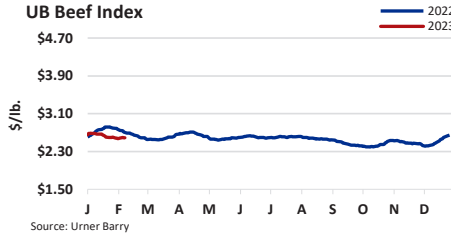
WEEKLY COMMODITY AT A GLANCE

	This Week	Last Week	Last Year
Omaha, US No 2 Yellow Corn	UNQ	7.14	6.45
CBOT Soybean	1,542.50	1,532.00	1,583.00
NYMEX Light Crude Oil	79.72	73.39	93.10
Loose Lard, Chicago Basis	UNQ	UNQ	0.82
Edible Tallow, Chicago Basis	0.71	0.74	UNQ
Beef Trimmings, 90% Fresh	258.00	253.00	290.00
Beef Trimmings, 50% Fresh	117.00	111.00	115.00
Aust/NZ Blend Cow 90% EC Spot	239.00	236.00	307.00
USDA Drop Credit	0.133	0.135	0.140
112A 3 Ribeye Roll, Lip-On CH	1,000.00	1,000.00	875.00
116A 3 Chuck Roll, Neck-Off CH	350.00	350.00	400.00
168 3 Round, Top (Inside) CH	265.00	270.00	305.00
180 3 Strip Loin, Bnls, 0x1 CH	825.00	820.00	770.00
136 Coarse Ground 81%	230.00	240.00	340.00
189A 4 Loin, Tenderloin, PSMO CH	1,425.00	1,475.00	1,250.00
Cattle-Fax, 6-State Fed Steer Price	158.19	155.47	139.46
Select Hams 20/23	75.00	74.00	45.00
Sq Cut Bellies 14/16	99.00	98.00	180.00
1/4 Trmd. Loins 21/dn	103.00	99.00	132.00
1/4 Tr Boston Butts 9/dn	101.00	101.00	111.00
Spareribs, Light, Fresh	126.00	130.00	180.00
Fresh Pork Trim (42%)	65.00	66.00	71.00
Fresh Pork Trim (72%)	91.00	86.00	90.00
Carcass Lamb Y4+55/65	3.95	3.95	5.00
Lamb Cuts, 204 Rack, 8-Rib, 7/Up	12.20	12.20	15.25
Lamb Cuts, 206 Shoulder, Cross Cut	4.00	4.00	4.60
Lamb Cuts, 232 Loin Trmd 4x4	8.25	8.25	10.50
Lamb Cuts, 234 Leg, Boneless	7.00	7.00	9.60
Carcass Veal, Hide-off, 255/315, NC	4.35	4.35	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

	2/10	2/3	1/27
Weekly Imported Aust/NZ Blend Cow 90% EC 7:45	2.40	2.37	2.37
Weekly Weighted Average Blended Boxed Beef Cutout Index	265.47	263.68	265.60



EST. DAILY CATTLE SLAUGHTER

	M	T	W	TH	F	S	Total
TW	120	126	124	124	122	14	630
LW	121	127	127	125	122	19	641
*LY	123	126	124	125	121	53	671

EST. DAILY HOG SLAUGHTER

	M	T	W	TH	F	S	Total
TW	480	479	482	483	481	93	2,498
LW	475	483	490	490	484	173	2,595
*LY	479	469	476	474	471	143	2,513

EST. DAILY SHEEP SLAUGHTER

	M	T	W	TH	F	S	Total
TW	8	9	7	6	5	0	35
LW	9	8	6	6	5	0	34
*LY	8	6	7	6	3	0	30

EST. DAILY CALVES SLAUGHTER

	M	T	W	TH	F	S	Total
TW	1	1	1	1	1	0	5
LW	1	1	1	1	1	0	5
*LY	1	2	2	1	2	0	7

EST. DAILY COW & BULL SLAUGHTER

	F	S	M	T	W	TH	Total
LW	1/27	1/28	1/30	1/31	2/1	2/2	144
TW	2/3	2/4	2/6	2/7	2/8	2/9	146
*LY	26	15	25	28	29	29	152

*Last Year's numbers are rounded

FOREIGN EXCHANGE RATES

	This Week	Last Week	Last Year
Australia, Dollar	0.694	0.697	0.716
Mexico, Peso	18.714	18.892	20.429
Canada, Dollar	1.338	1.342	1.270
Japan, Yen	130.740	130.357	115.870
China, Yuan (RMB)	6.806	6.766	6.356
Brazil, Real	5.246	5.108	5.197
South Korea, Won	1,264.92	1,242.80	1,199.15
Taiwan, Dollar	30.145	29.867	27.832
European Union, Euro	1.069	1.084	1.141

COLD STORAGE STOCKS

(Pounds in Thousands)	12/31/21	11/30/22	12/31/22
Beef in Freezer, Bnls	467,929	478,669	498,225
Cuts	39,194	44,594	45,730
Total Beef	507,123	523,263	543,955
PORK & OTHER	12/31/21	11/30/22	12/31/22
Pork in Freezer, Picnics	6,291	4,854	5,734
Hams	61,354	55,284	53,416
Bellies	38,069	54,429	63,060
Loins	36,651	39,379	36,412
Spareribs	80,275	111,143	113,637
Butts	15,675	22,273	20,308
Trimmings	50,544	44,744	53,097
Other Pork in Freezer	46,027	50,766	46,245
Total	396,461	451,555	458,142
Veal in Freezer	3,577	2,190	1,389
Lamb & Mutton in Freezer	22,124	29,682	26,505
Total	25,701	31,872	27,894

Data Updated: January 25, 2023

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 Feb-10 v. Feb-03				
	CHOICE	SELECT	NO-ROLL	CAB
Rib	0.03%	1.71%	1.07%	0.01%
Chuck	0.03%	-3.37%	-2.59%	-2.30%
Round	0.14%	0.76%	1.34%	-0.09%
Loin	0.62%	4.58%	2.98%	2.30%
Brisket	1.82%	0.12%	0.12%	-1.44%
Plate	1.47%	1.47%	1.47%	0.85%
Flank	0.13%	0.13%	0.14%	0.27%
Total	0.36%	0.98%	0.62%	0.13%

BEEF

BEEF COMMENTARY

Market moving information within the boxed beef market this week was extremely light. Inventories along with available supplies were fully adequate for the needs of the market. This led to a majority of rangebound trade throughout the week. The bias remained towards the softer side of steady as we are approaching the halfway mark of February where demand historically takes a beating. The forward period was seen carrying rather significant premiums which appeared to deter any position buys as buyers continued to watch slaughters run steady.

LIVE CATTLE: Cash cattle sales this week were a bit scattered region to region with the majority of trade taking place in the North. Iowa saw trade steady to higher taking place from \$158.00 to \$160.00/cwt live (full range \$156.00 to \$161.00/cwt live). Dressed sales in the North were up \$4.00/cwt to \$254.00/cwt dressed (full range \$245.00 to \$254.00/cwt). A few sales were picked up in Texas and Kansas between \$158.00 to \$159.00/cwt live.

SLAUGHTER & BEEF PRODUCTION: The weekly federally inspected slaughter was 630,000 head, compared to 641,000 head last week. Saturday hours are beginning to get pulled as packer margins continue to compress. Live weights lost one pound to 1384 pounds. Dressed weights were unchanged at 827 pounds.

RIBS: Ribs flat lined this week as the bulk of focus remained planted around strips and shortloins. With the next slate of holiday interest well into the forward period, interest was dull from buyers. While a seasonal correction has taken place, it has been rather shallow when compared to historicals.

CHUCKS: The majority of trading this week within the chuck complex was rangebound. A cautious approach continued to dominate the market this week which generally led to hand-to-mouth purchasing. Supplies were fully adequate on the week with the exception of select and no-roll grades.

ROUNDS: Items within the round required slight discounting once again this week. Insides in particular were the main contributors to the downward pressure seen. Goosenecks and eyes held steady on the week with flats inching up slightly. Warmer than expected temperatures in the majority of the United States continues to hamper roast movement.

LOINS: Much like the rest of the primal, loins were fairly planted this week. Strips and shortloins lost some momentum and participants were for the most part content with stamping trade within established ranges. With purchasing for Valentine's Day now behind us, we'll have to keep an eye on this area to see demand continues firm.

GROUND BEEF: Coarse grinds were slightly unsettled this week with primal sourced grinds trading sideways. 81% coarse grinds came under some slight pressure later in the week with Super Bowl buying now done. Buyers were firm with bids given the production picture remaining in-tact.

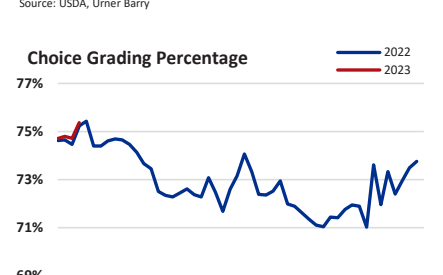
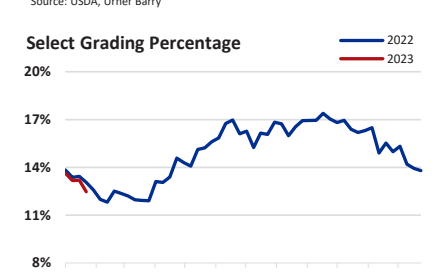
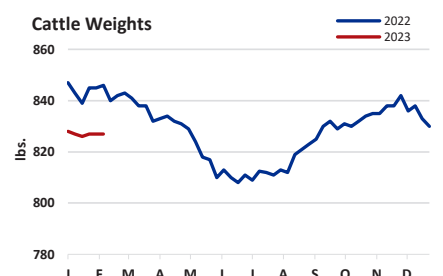
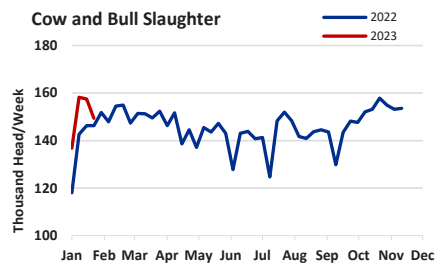
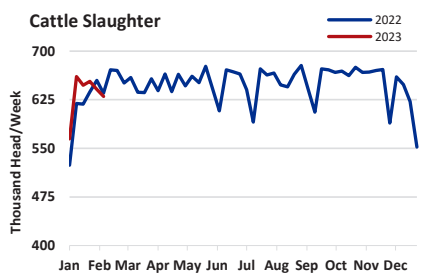
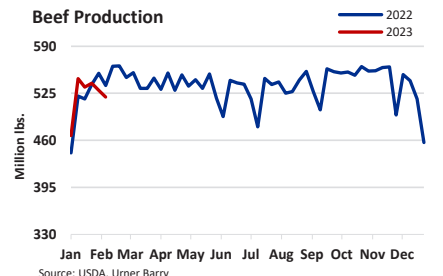
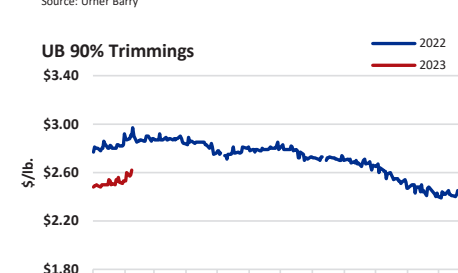
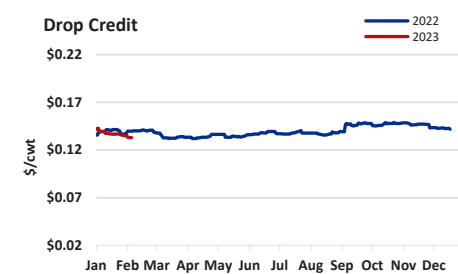
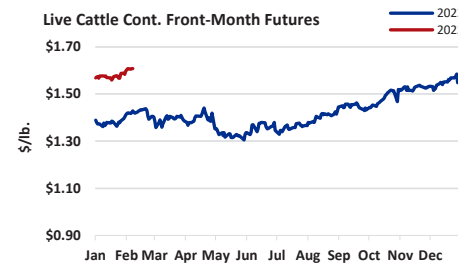
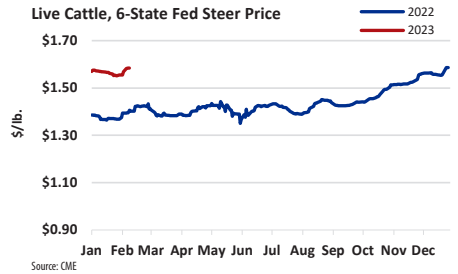
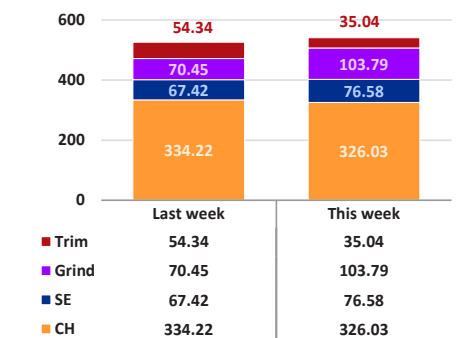
BONELESS BEEF: The market for fresh 90s saw a rise in prices this week, driven by moderate to active demand. High cow prices were a major concern for market participants. Fresh 50s showed mixed results as packer offerings varied greatly. There was a decrease in the cattle slaughter to 630,000 head this week, a decline of 11,000 from the previous week.

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

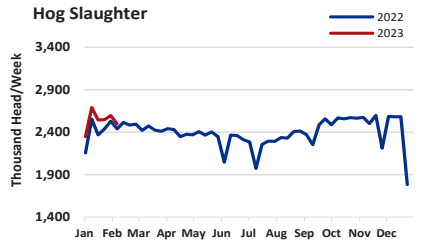
	M	T	W	TH	F
TW	17.42	15.50	14.70	15.27	15.39
*LW	20.33	17.47	17.11	16.13	16.84

*Last Week's numbers are rounded

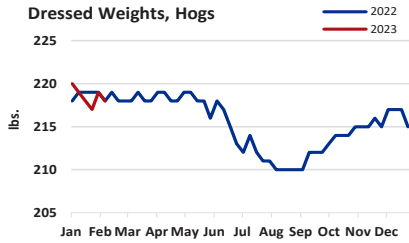
Weekly Beef Breakdown (# of loads) Source: USDA, Urner Barry
1 load = 40,000 lbs.



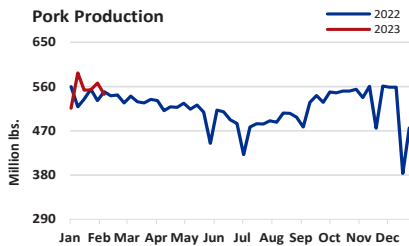
PORK PRODUCTION



Source: USDA, Urner Barry



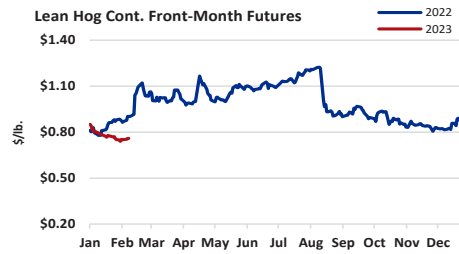
Source: USDA, Urner Barry



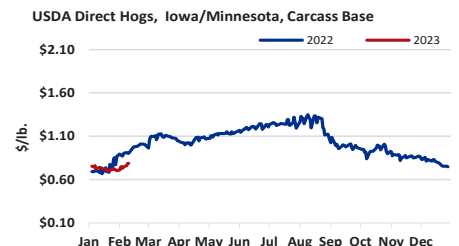
Source: USDA, Urner Barry

LIVE HOGS & CUTOUT

PORK CUTOUT	Feb-03	Feb-10	Change
Loin	81.130	83.340	2.210
Butt	88.030	89.220	1.190
Picnic	63.630	65.700	2.070
Sparerib	122.680	120.750	-1.930
Ham	77.010	77.890	0.880
Belly	96.850	96.340	-0.510
Cutout Value	80.296	81.257	0.961



Source: CME



Source: USDA, Urner Barry

PORK COMMENTARY

This week in pork, supportive export interest, mixed domestic demand, and elevated slaughter figures impacted pork trade. Urner Barry's pork carcass cutout increased by 1.2 percent during the week. Estimates of margins for outside purchasers of hogs on Friday were - \$3.53/head while margins for vertically integrated packers were estimated at - \$33.84/head.

PORK PRODUCTION: Pork production for the week ending 02/11/2023 was estimated to be 543.9 million pounds. This was 4.1 percent less than last week and 1 percent below the same week a year ago. Live hog weights averaged 293 pounds for the week, which was 1 pound less last week and 1 pound less the same week a year ago.

GREEN MEATS: In the green meat complex, hams traded mostly sideways for the balance of the week. Bone-in items experienced supportive interest from Mexico, while boneless hams had a firmer bias on improved demand from export channels. In the belly category, an unsettled undertone was noted as trade occurred in wide ranges. Food service interest was lackluster for bacon while retail demand was moderate amid declining price points. In trim, 42s and 72s remained seasonally elevated as pizza topping, sausage, and hot dog demand were supportive.

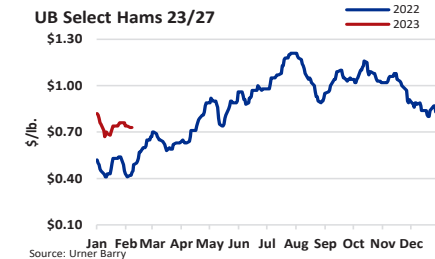
HAMS: Bone-in ham values were \$1.00/cwt lower to \$0.50/cwt higher, while boneless cuts were \$3.50/cwt to \$4.00/cwt firmer.

BELLIES: Skinless bellies were \$4.00/cwt weaker to \$6.00/cwt firmer.

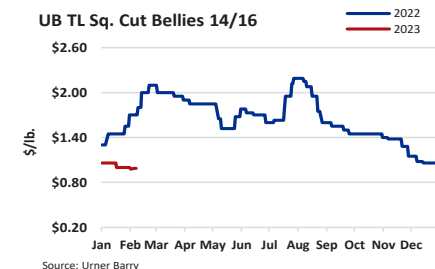
TRIMMINGS: 42s and 72s were \$0.50/cwt weaker and \$3.00/cwt firmer this week, respectively. Meanwhile, boneless picnics were \$4.00/cwt firmer.

RETAIL: ¼ inch bone-in loins were \$4.00/cwt firmer while 1/8-inch cuts increased \$5.50/cwt. Boneless strap-ons decreased \$1.50/cwt while strap-offs increased \$7.50/cwt. Bone-in sirloins were \$3.00/cwt weaker while boneless sirloins were \$3.50/cwt weaker. Tenderloins were \$5.00/cwt weaker. 1/4" bone-in butts were generally unchanged while boneless butts increased \$1.00/cwt. Light spareribs were \$4.00/cwt weaker while medium spareribs were flat.

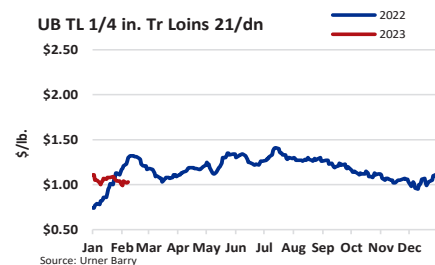
PORK PROCESSING ITEMS & RETAIL CUTS



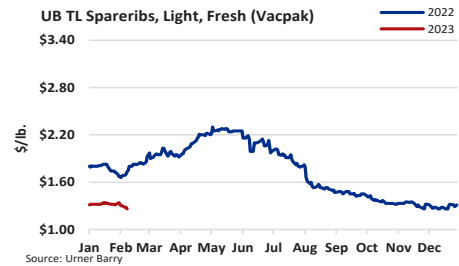
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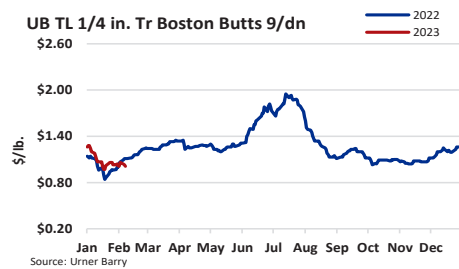
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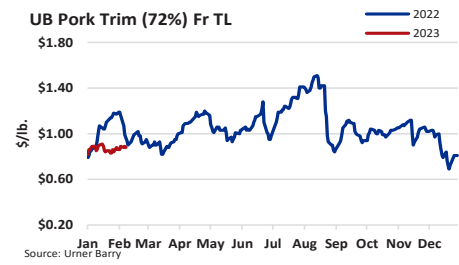
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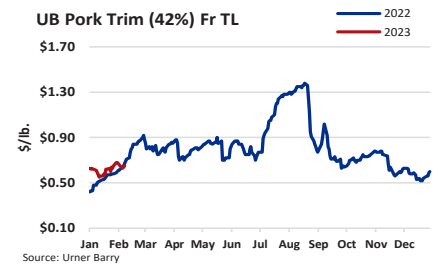
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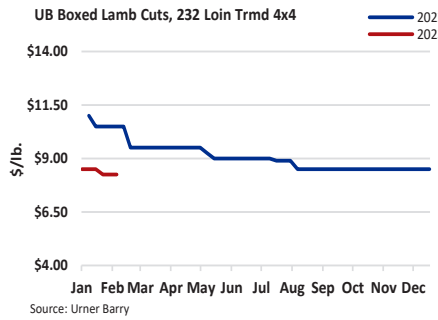
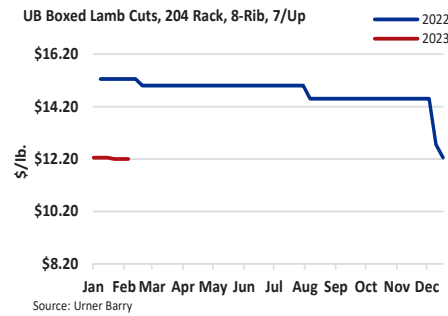
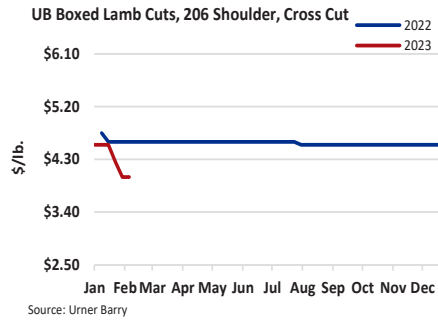
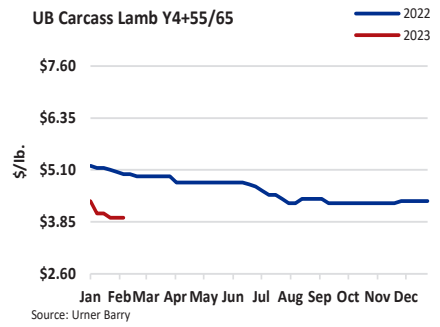


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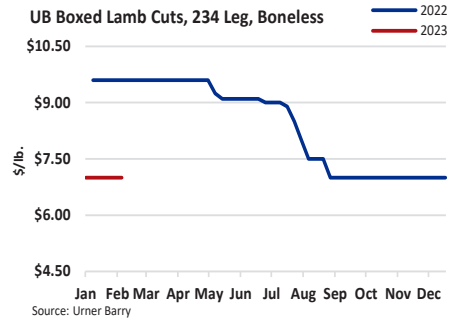
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LAMB

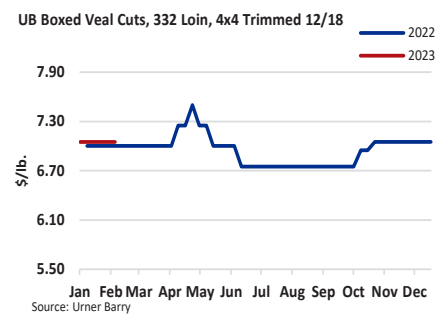
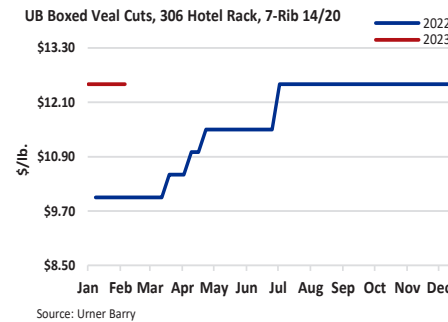
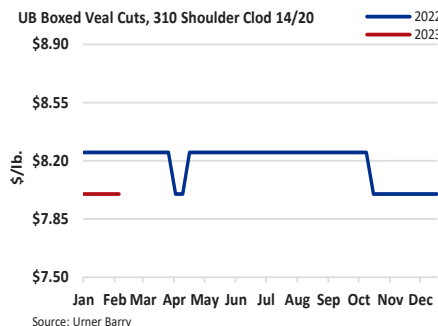
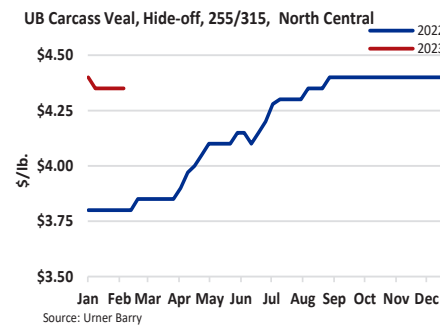


LAMB COMMENTARY

In the domestic lamb market, carcasses traded near their recently established ranges while boxed cuts were generally steady. Moderate Valentine's Day demand helped support the category, but a majority of prices remained at 52-week lows as overall interest continued to decline. In the most recent weekly Estimated Meat Production Under Federal Inspection Report, slaughter came in at 34,000 head which was 1,000 more than last week and 4,000 more than the same week a year ago. For weights, the figure came in at 126 pounds, which was 1 pound heavier than last week and 7 pounds below the same week a year ago.

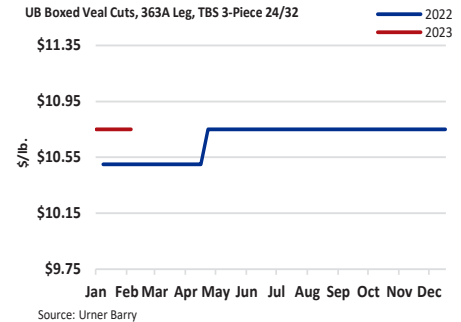


VEAL

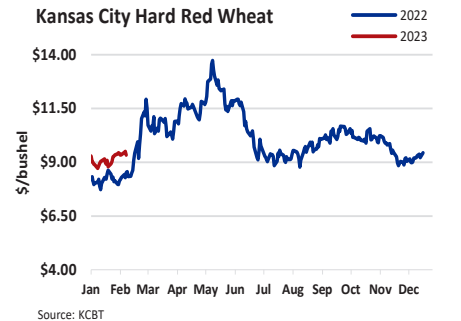
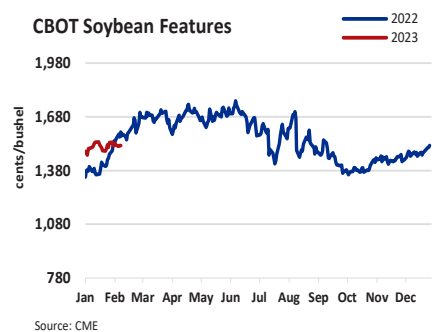
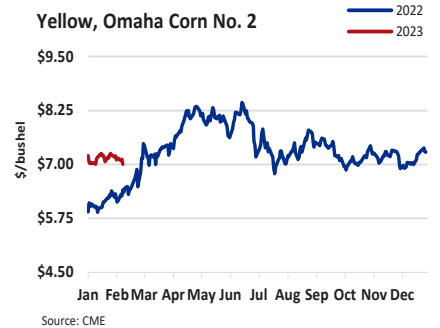


VEAL COMMENTARY

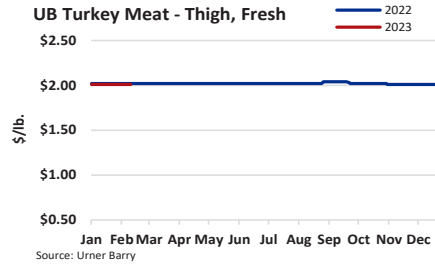
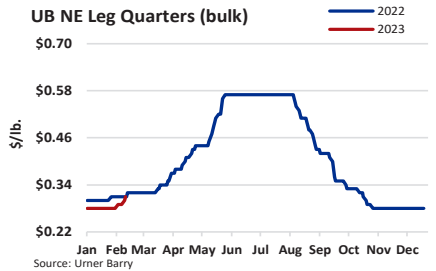
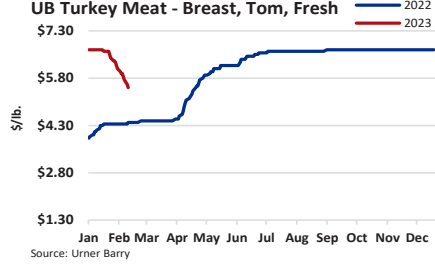
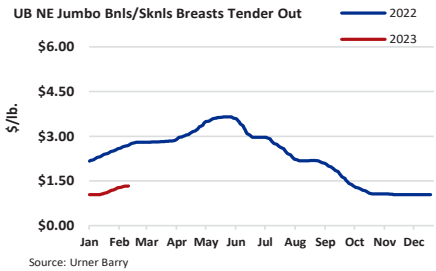
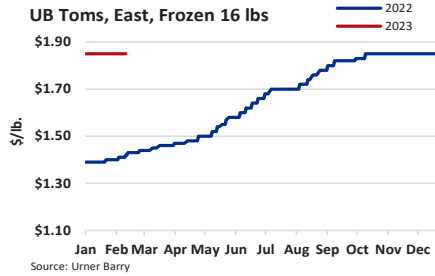
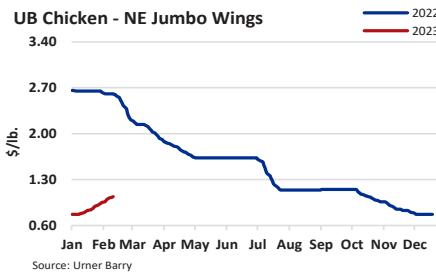
In the veal market this week, activity was plentiful despite price levels being unchanged. Supply and demand were generally in balance for a large part of the week. Last second Valentine's Day demand from white tablecloth establishments has been supportive of the market in recent weeks. In the most recent weekly USDA Special Fed Veal Slaughter Report, slaughter came in at 2,705 head, which was the highest figure dating back to the week of November 13, 2022. For weights, the number came in at 292.3 pounds, which was 8.6 pounds higher than the previous week.



FEEDS: CORN, SOY BEAN, RED WHEAT



POULTRY



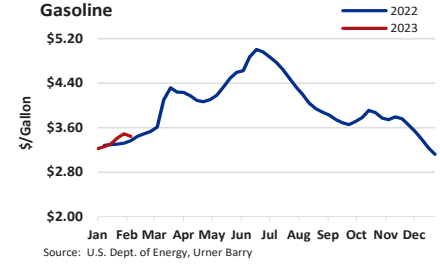
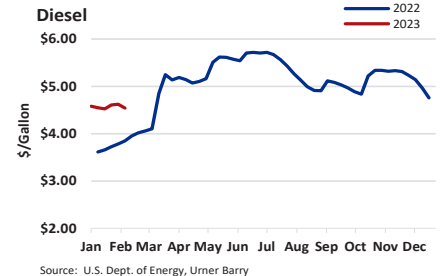
POULTRY COMMENTARY

WOGs and whole chickens are under a steady backdrop overall. Jumbo boneless breasts are seeing isolated pockets of bullish-leaning trade activity to end the week. Tenders are generally well-accounted for but some note scattered pressure. Wings of all sizes are continuing to receive a vocal call at up money. The entirety of the back half has begun to shift higher as export interest increases. Legs and thighs are seeing the most robust demand, but leg quarters and drums are tightening as well. Leg and thigh meat are likewise being actively pursued at full market or stronger price points.

Whole-body toms and hens are mostly steady, although some offerings at lower figures are beginning to be noted. Consumer-sized breasts lack event while institutional sizes are seeing mixed sentiment. Suppliers are holding offerings with a firm grip, but lower boneless meat prices

are shifting their thinking on ask prices moving forward. As for the part segment, drums, whole wings, livers, and gizzards, all continue to be visible on the street in a wide range of generally lower levels. Wings are especially burdened. Necks are also feeling pressure, despite some sellers maintaining adequate balance. As for the raw materials segment, a distinct willingness by some sellers to accept sharply lower bids on tom meat exists. This is also true for frozen breeder meats and tenders. Scapula and breast trim are well cleared, while thigh meat and MST remain mixed overall and are rated about steady.

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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