

Friday, February 24, 2023

Number 08- Volume 16

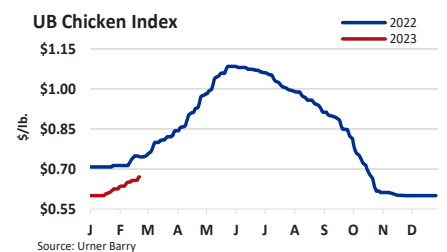
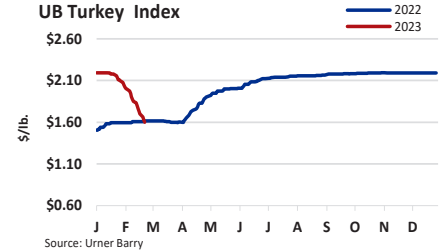
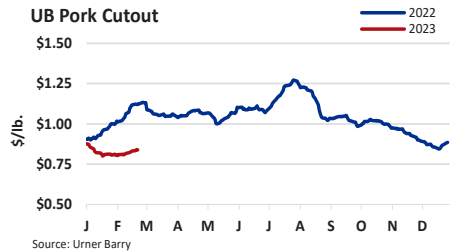
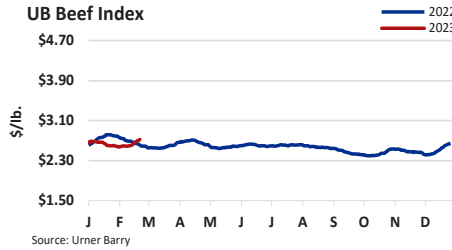
### WEEKLY COMMODITY AT A GLANCE

	This Week	Last Week	Last Year
Omaha, US No 2 Yellow Corn	UNQ	7.04	6.49
CBOT Soybean	1,529.00	1,527.25	1,590.25
NYMEX Light Crude Oil	76.32	76.34	91.59
Loose Lard, Chicago Basis	UNQ	UNQ	0.82
Edible Tallow, Chicago Basis	UNQ	0.71	0.800
Beef Trimmings, 90% Fresh	262.00	260.00	290.00
Beef Trimmings, 50% Fresh	132.00	121.00	105.00
Aust/NZ Blend Cow 90% EC Spot	252.00	247.00	312.00
USDA Drop Credit	0.131	0.131	0.140
112A 3 Ribeye Roll, Lip-On CH	1,050.00	1,025.00	850.00
116A 3 Chuck Roll, Neck-Off CH	400.00	390.00	350.00
168 3 Round, Top (Inside) CH	295.00	285.00	305.00
180 3 Strip Loin, Bnls, Ox1 CH	875.00	825.00	770.00
136 Coarse Ground 81%	251.00	246.00	310.00
189A 4 Loin, Tenderloin, PSMO CH	1,510.00	1,450.00	1,250.00
Cattle-Fax, 6-State Fed Steer Price	160.60	158.78	142.14
Select Hams 20/23	81.00	74.00	63.00
Sq Cut Bellies 14/16	108.00	105.00	210.00
1/4 Trmd. Loins 21/dn	99.00	100.00	121.00
1/4 Tr Boston Butts 9/dn	112.00	108.00	123.00
Spareribs, Light, Fresh	131.00	129.00	183.00
Fresh Pork Trim (42%)	70.00	67.00	87.00
Fresh Pork Trim (72%)	98.00	93.00	91.00
Carcass Lamb Y4+55/65	3.95	3.95	4.95
Lamb Cuts, 204 Rack, 8-Rib, 7/Up	12.80	12.40	15.00
Lamb Cuts, 206 Shoulder, Cross Cut	3.80	4.00	4.60
Lamb Cuts, 232 Loin Trmd 4x4	7.80	8.00	9.50
Lamb Cuts, 234 Leg, Boneless	7.00	7.00	9.60
Carcass Veal, Hide-off, 255/315, NC	4.35	4.35	3.85
Veal Cuts, 306 Hotel Rack, 7-Rib 14/20	12.50	12.50	10.00
Veal Cuts, 310 Shoulder Clod 14/20	7.90	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

	2/24	2/17	2/10
Weekly Imported Aust/NZ Blend Cow 90% EC 7:45	2.50	2.44	2.40
Weekly Weighted Average Blended Boxed Beef Cutout Index	284.25	272.90	265.47



### EST. DAILY CATTLE SLAUGHTER

	M	T	W	TH	F	S	Total
TW	104	127	126	121	122	18	618
LW	126	125	125	123	121	7	627
*LY	110	125	125	123	117	50	651

### EST. DAILY HOG SLAUGHTER

	M	T	W	TH	F	S	Total
TW	482	479	409	371	467	167	2,375
LW	485	477	483	475	478	107	2,505
*LY	471	471	474	478	472	126	2,492

### EST. DAILY SHEEP SLAUGHTER

	M	T	W	TH	F	S	Total
TW	8	8	6	6	5	1	34
LW	9	9	8	6	5	0	37
*LY	6	8	7	7	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	2/3	2/10	2/11	2/13	2/14	2/15	Total
TW	29	29	2	27	29	29	145
LW	2/17	2/18	2/20	2/21	2/22	2/23	Total
TW	28	5	26	28	28	26	141
*LY	25	13	25	28	29	26	146

\*Last Year's numbers are rounded

### FOREIGN EXCHANGE RATES

	This Week	Last Week	Last Year
Australia, Dollar	0.674	0.683	0.722
Mexico, Peso	18.460	18.532	20.428
Canada, Dollar	1.362	1.350	1.276
Japan, Yen	135.808	134.646	115.566
China, Yuan (RMB)	6.950	6.876	6.314
Brazil, Real	5.168	5.204	5.129
South Korea, Won	1,315.21	1,298.67	1,199.88
Taiwan, Dollar	30.599	30.406	27.975
European Union, Euro	1.056	1.064	1.123

### COLD STORAGE STOCKS

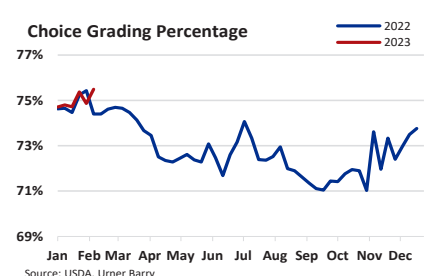
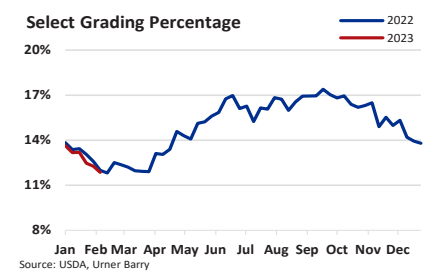
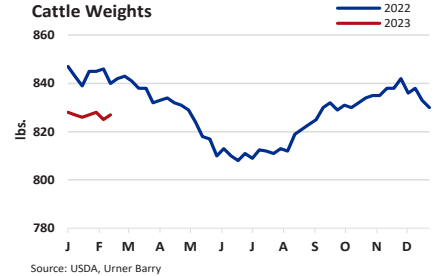
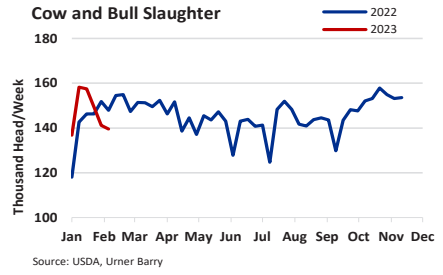
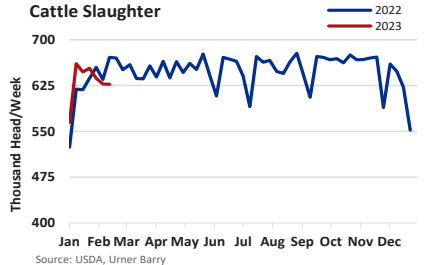
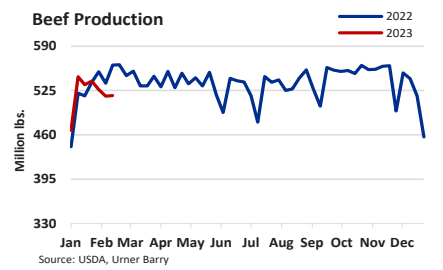
(Pounds in Thousands)	12/31/21	11/30/22	12/31/22
Beef in Freezer, Bnls	467,929	478,669	498,225
Cuts	39,194	44,594	45,730
<b>Total Beef</b>	<b>507,123</b>	<b>523,263</b>	<b>543,955</b>
<b>PORK &amp; OTHER</b>	<b>12/31/21</b>	<b>11/30/22</b>	<b>12/31/22</b>
Pork in Freezer, Picnics	6,291	4,854	5,734
Hams	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
<b>Total</b>	<b>396,461</b>	<b>451,555</b>	<b>458,142</b>
Veal in Freezer	3,577	2,190	1,389
Lamb & Mutton in Freezer	22,124	29,682	26,505
<b>Total</b>	<b>25,701</b>	<b>31,872</b>	<b>27,894</b>

Data Updated: January 25, 2023

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 Feb-24 v. Feb-17				
	CHOICE	SELECT	NO-ROLL	CAB
Rib	2.52%	0.73%	1.37%	-0.37%
Chuck	1.44%	3.94%	2.97%	2.21%
Round	2.92%	2.50%	2.41%	3.71%
Loin	3.01%	2.69%	6.26%	4.11%
Brisket	4.31%	1.88%	2.02%	6.35%
Plate	1.75%	1.75%	1.75%	2.39%
Flank	3.78%	8.52%	1.20%	2.55%
<b>Total</b>	<b>2.53%</b>	<b>2.65%</b>	<b>3.37%</b>	<b>2.68%</b>

**BEEF**



**BEEF COMMENTARY**

The supply driven rally continued this week as packers worked towards healthy margins. Urner Barry's Choice cutout has gained approximately 5% since the start of February. Aggressive hikes around asking prices began to subside towards the end of the week as buyers were content with inventories on hand. Business conditions were hit-or-miss depending on geographical location with those in warmer southern regions expressing a better outlook. Winter Storm Olive created a bit of havoc in northern feeding regions and concerns continued to arise around cattle weights and the potential impact on grade. Which we found to be interesting concerns given the current quality grade has been better than expectations and actually begun to put some downward pressure on prime and upper 2/3rds choice items.

**LIVE CATTLE:** Cash cattle prices in the North this week were up \$2.00 to \$4.00/cwt at \$163.00 - \$166.00/cwt, mostly \$164.00/cwt live, (full range \$156.00 - \$166.00/cwt live). Dressed sales were up \$3.00 to \$6.00/cwt at mostly \$260.00/cwt dressed (full range \$256.00 - \$263.00/cwt). Trade volume in the South has been too light to trend, but prices in Kansas and Texas were at \$162.00 - \$164.00/cwt live.

**SLAUGHTER & BEEF PRODUCTION:** The weekly federally inspected slaughter was 618,000 head, compared to 627,000 head last week. Live weights lost one pound to 1380 pounds. Estimated dressed weights were unchanged for the 3rd consecutive week at 827 pounds.

**RIBS:** Bone-in items moved higher on the week as tighter supplies continued to be realized. While volumes were slow out of the gate this week by the end, larger sized bookings were seen albeit - at flat prices. Foodservice was the area pointed towards among participants for keeping these items steady to full-steady since the New Year.

**CHUCKS:** The chuck complex was rangebound this week after last week's moderate rally. Chuck rolls saw the majority of quotation changes on the week. This arena is having a tougher time sparking business compared to its round counterpart as the market has begun to put premiums on leaner material.

**ROUNDS:** Items within the round were fairly active on the week, insides, flats, and eyes all found better interest as the week wore on. This in part due to the lean content as grinding needs have held steady along with renewed retail interest. While weather conditions have not been conducive for roast demand, it would seem bets are being made we are not out of the woods yet.

**LOINS:** The loin complex became a bit more active this week as middle meat interest has not seen a significant downturn like many participants expected coming into the New Year. Foodservice demand combined with a mild winter is keeping buying patterns fairly high. This combination along with tightening supplies appeared to have set in some emotional purchases as buyers are beginning to think the prices seen today will look a lot better than the forward grilling period when a more pronounced seasonal takes place.

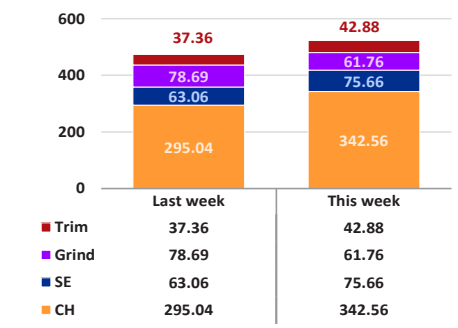
**GROUND BEEF:** The coarse grinds arena saw little change on the week. Trade was predominately range bound on the week with the exception of 81% coarse grinds which inched moderately higher. Undertones were full-steady in most cases but momentum lacked within the market.

**BONELESS BEEF:** This week, fresh 50s saw steady to slightly firmer pricing as availability was tighter than expected. The cattle slaughter for the week was 618,000 head, down 9,000 head from the previous week. Fresh 90s were mixed with stronger-than-expected demand reported in some areas.

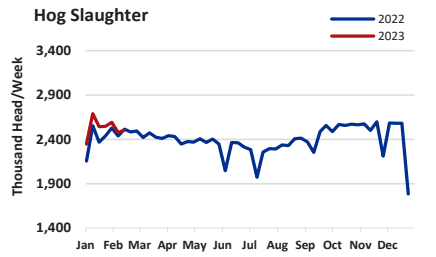
UB BEEF CUTOUT-CH/SE SPREAD (\$/cwt)					
	M	T	W	TH	F
TW	15.59	17.28	17.02	16.61	17.00
*LW	15.99	17.13	17.86	16.73	16.86

\*Last Week's numbers are rounded

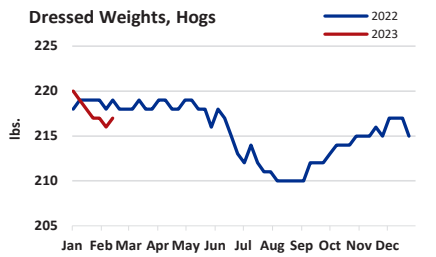
**Weekly Beef Breakdown (# of loads)** Source: USDA, Urner Barry  
1 load = 40,000 lbs.



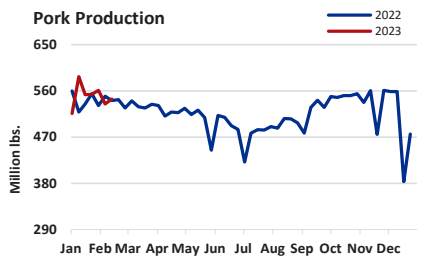
**PORK PRODUCTION**



Source: USDA, Urner Barry



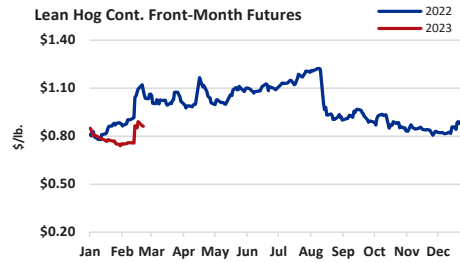
Source: USDA, Urner Barry



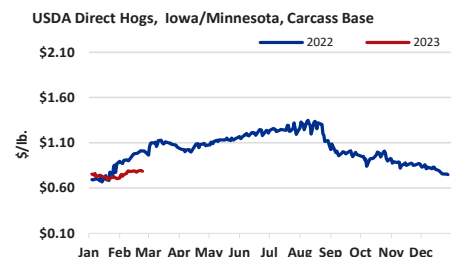
Source: USDA, Urner Barry

**LIVE HOGS & CUTOUT**

PORK CUTOUT	Feb-17	Feb-24	Change
Loin	83.460	84.180	0.720
Butt	92.660	95.430	2.770
Picnic	66.880	71.550	4.670
Sparerib	122.200	122.680	0.480
Ham	78.360	79.620	1.260
Belly	101.860	103.650	1.790
<b>Cutout Value</b>	<b>82.905</b>	<b>84.57</b>	<b>1.665</b>



Source: CME



Source: USDA, Urner Barry

**PORK COMMENTARY**

This week was largely impacted by a lengthy winter storm which extended across much of the upper Midwest. Trucking delays, production disruptions, and a generally cautious stance limited trade volume throughout the week. Urner Barry's pork carcass cutout increased by 2.01 percent during the week. Estimates of margins for outside purchasers of hogs on Friday were \$8.47/head while margins for vertically integrated packers were estimated at -\$29.19/head.

**PORK PRODUCTION:** Pork production for the week ending 02/25/2023 was estimated to be 514.5 million pounds. This was 5.4 percent less than last week and 5.3 percent below the same week a year ago. Live hog weights averaged 291 pounds for the week, which was 1 pound less than last week and 1 pound less than the same week a year ago.

**GREEN MEATS:** In the green meat complex, bone-in hams were impacted by scarce offerings during the storm and ongoing strong export demand. Boneless hams declined under the pressure of lackluster domestic movement, however, improved export demand was noted. Bellies were directionless for most of the week. Interest in bacon from both the foodservice and retail channels remained soft. Trimmings were broadly supported on seasonal demand and tighter supplies brought about by the storm market.

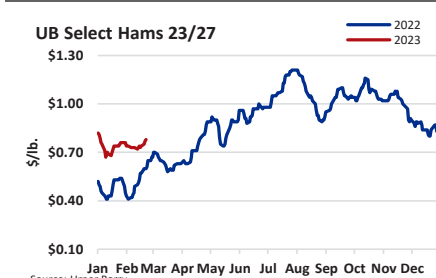
**HAMS:** Bone-in ham values were \$5.00/cwt to \$8.00/cwt firmer, while boneless cuts were \$9.50/cwt to \$13.50/cwt weaker.

**BELLIES:** Skinless bellies were generally unchanged.

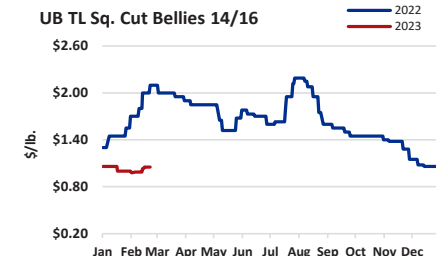
**TRIMMINGS:** 42s were \$2.50/cwt firmer while 72s were \$6.00/cwt firmer. Meanwhile, boneless picnics increased \$2.50/cwt.

**RETAIL:** ¼ inch bone-in loins were \$1.00/cwt weaker while 1/8-inch cuts increased \$0.50/cwt. Boneless strap-ons increased \$8.50/cwt while strap-offs increased \$2.00/cwt. Bone-in sirloins were \$1.00/cwt weaker while boneless sirloins were generally unchanged. Tenderloins were \$5.00 weaker this week. 1/4" bone-in butts were \$4.00/cwt firmer while boneless butts increased \$3.00/cwt. Light spareribs were \$1.00/cwt stronger while medium spareribs were flat.

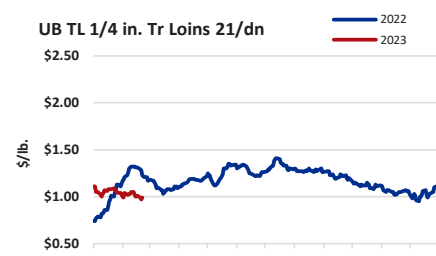
**PORK PROCESSING ITEMS & RETAIL CUTS**



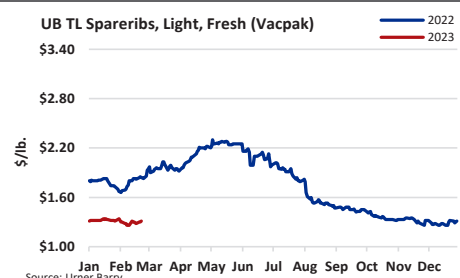
Source: Urner Barry



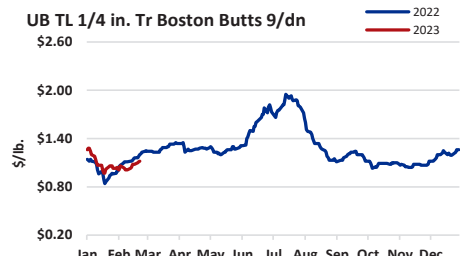
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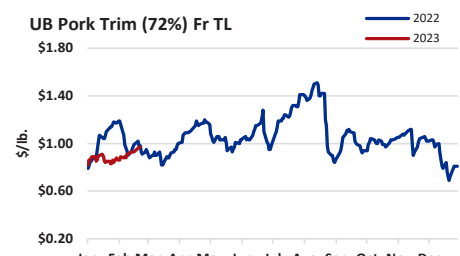
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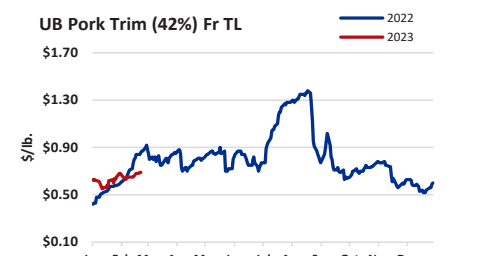
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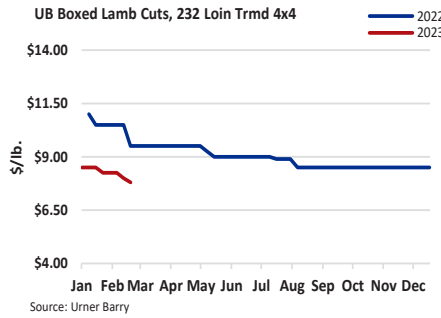
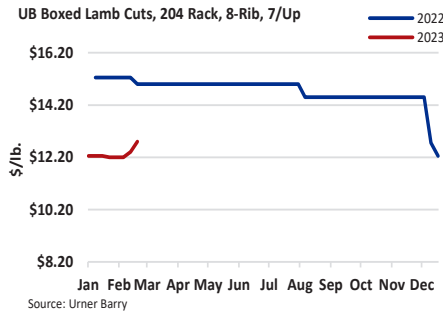
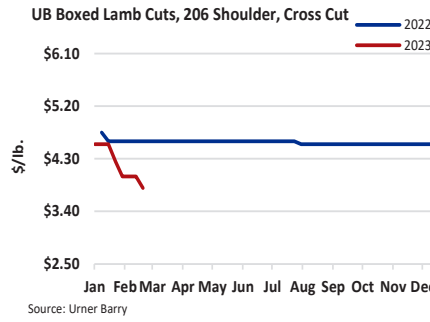
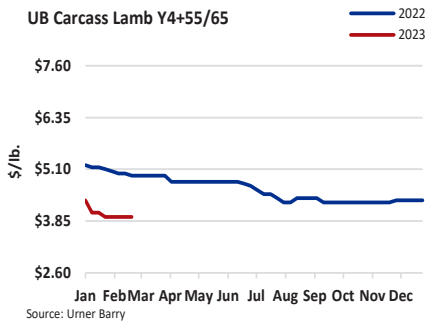


Source: Urner Barry



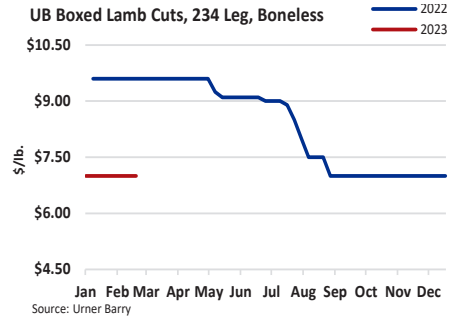
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LAMB

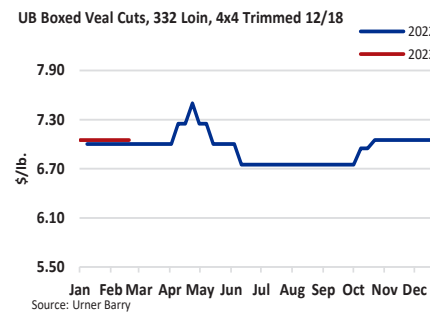
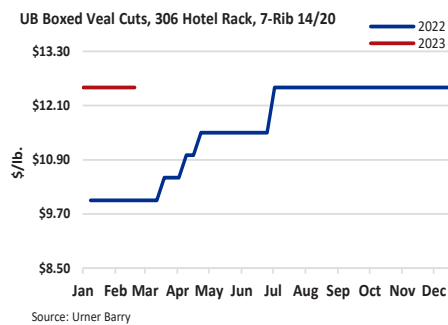
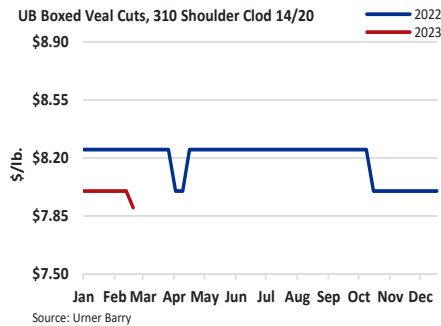
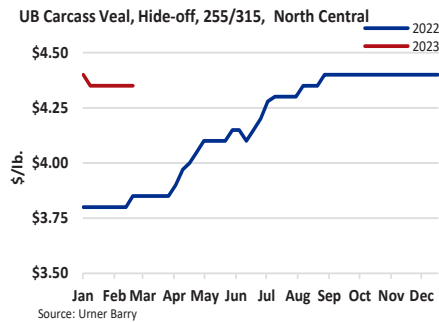


LAMB COMMENTARY

This week, lamb carcasses held steady, while most boxed lamb cuts were steady to a little weaker. Reports suggest that demand was only moderate at best for the majority of cuts. However, racks were an exception, experiencing a price increase due to slightly tighter nearby supplies in some areas. In the most recent weekly Estimated Meat Production Under Federal Inspection Report, the slaughter figure increased to 37,000 head, which is 2,000 more than last week and 5,000 more than the same week last year.

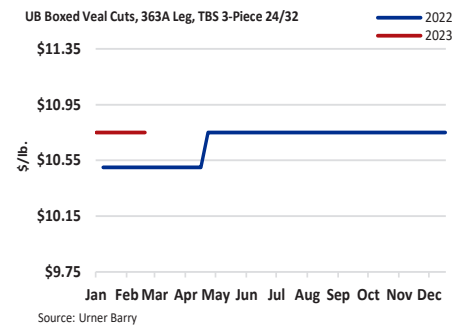


VEAL

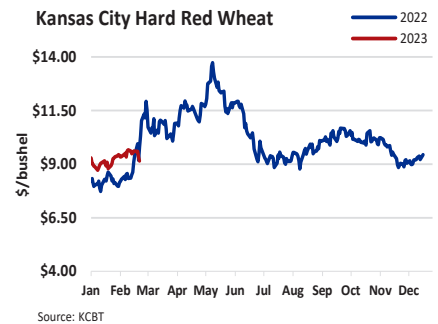
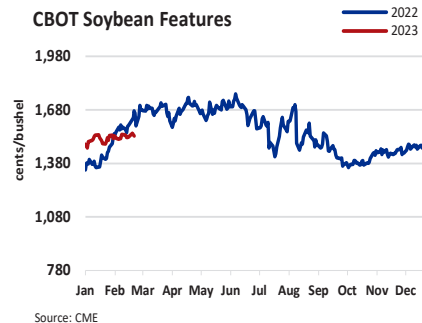
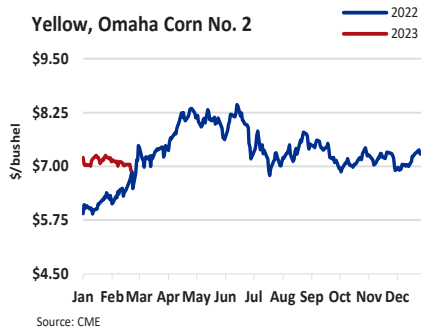


VEAL COMMENTARY

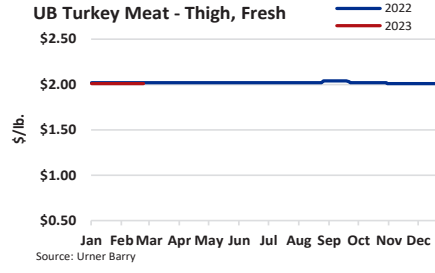
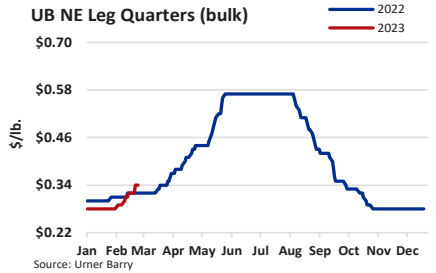
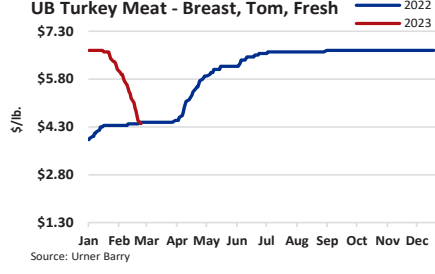
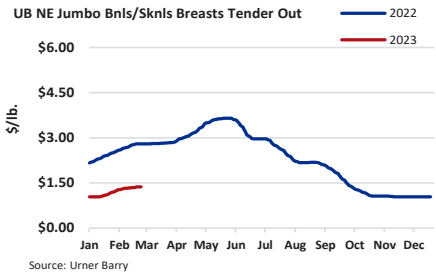
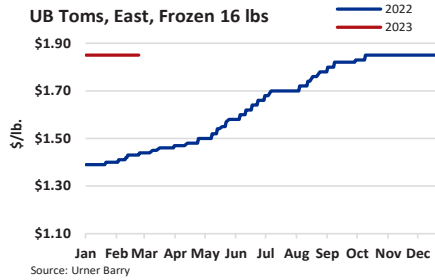
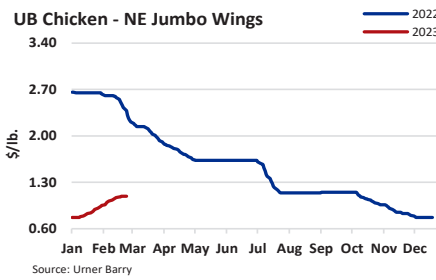
In the veal market this week, prices were mixed on Urner Barry's report. Carcass prices remained unchanged, although supplies were more readily available in some areas. Discounts were noted on some cuts, such as racks, shoulders, breasts, and top rounds, while premiums were seen on legs and osso buco items. The latest USDA report showed a 10% increase in slaughter figures to 2,463 and steady weights at 282.9 pounds compared to the prior week's report.



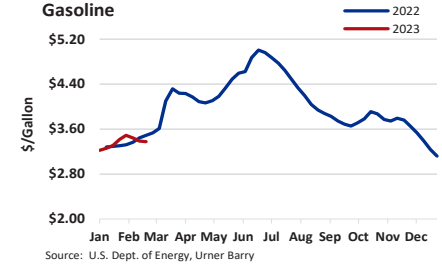
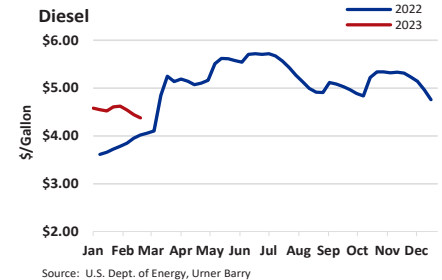
FEEDS: CORN, SOY BEAN, RED WHEAT



**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 close the week in solid shape with larger-sized offerings being placed at a modest overage. Boneless breasts wind down with a full-steady rating as well-cleared production clashes with an uptick in foodservice demand patterns. Tenders are rated as steady. Some marketers continue to test the willingness of buyers to pay an overage. Sellers of jumbo and medium-sized wings contend with seasonal headwinds while small-sized offerings remain thinly dispersed and held for an overage. The back half of the bird is viewed in a bullish light. Legs, thighs, along with leg and thigh meats, continue to change hands at an overage. Drumsticks and leg quarters also enjoy a slight boost in buying outreach and values being paid.

Whole-body turkeys remain quiet overall. Buyers and sellers maintain a cautious approach to business. The call for consumer-sized breasts

is seasonal. Institutional-sized offerings are well accounted for, however, pockets of price pressure are noted. Drums, necks, and whole wings are rated as about steady to barely steady with sellers demonstrating a willingness to lower their asked price when necessary. Whole muscle white meats continue to search for support. This is especially evident on the fresh side of the equation. Scapula, breast trim, and wing meat are uneventful. Input surrounding thigh meat is somewhat thin with a handful of players painting a more bullish picture to this segment.

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