

Friday, February 03, 2023

Number 06- Volume 16

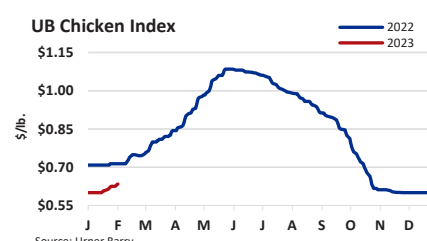
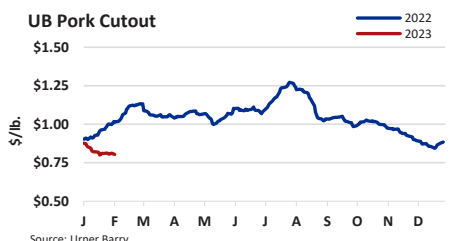
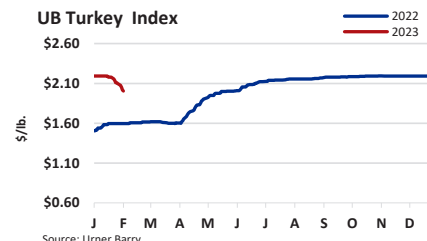
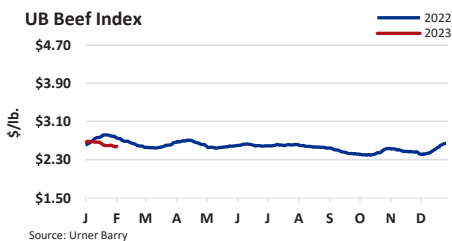
### WEEKLY COMMODITY AT A GLANCE

	This Week	Last Week	Last Year
Omaha, US No 2 Yellow Corn	UNQ	7.25	6.16
CBOT Soybean	1,532.00	1,509.50	1,553.50
NYMEX Light Crude Oil	73.39	79.68	92.31
Loose Lard, Chicago Basis	UNQ	0.90	0.82
Edible Tallow, Chicago Basis	0.74	0.74	UNQ
Beef Trimmings, 90% Fresh	253.00	256.00	287.00
Beef Trimmings, 50% Fresh	111.00	110.00	119.00
Aust/NZ Blend Cow 90% EC Spot	236.00	236.00	304.00
USDA Drop Credit	0.135	0.137	0.140
112A 3 Ribeye Roll, Lip-On CH	1,000.00	1,000.00	890.00
116A 3 Chuck Roll, Neck-Off CH	350.00	365.00	410.00
168 3 Round, Top (Inside) CH	270.00	279.00	315.00
180 3 Strip Loin, Bnls, Ox1 CH	820.00	800.00	770.00
136 Coarse Ground 81%	240.00	240.00	330.00
189A 4 Loin, Tenderloin, PSMO CH	1,475.00	1,550.00	1,350.00
Cattle-Fax, 6-State Fed Steer Price	155.47	155.89	137.18
Select Hams 20/23	74.00	77.00	43.00
Sq Cut Bellies 14/16	98.00	100.00	170.00
1/4 Trmd. Loins 21/dn	99.00	105.00	121.00
1/4 Tr Boston Butts 9/dn	101.00	106.00	107.00
Spareribs, Light, Fresh	130.00	132.00	168.00
Fresh Pork Trim (42%)	66.00	63.00	62.00
Fresh Pork Trim (72%)	86.00	86.00	116.00
Carcass Lamb Y4+55/65	3.95	3.95	5.05
Lamb Cuts, 204 Rack, 8-Rib, 7/Up	12.20	12.20	15.25
Lamb Cuts, 206 Shoulder, Cross Cut	4.00	4.25	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

	2/3	1/27	1/20
Weekly Imported Aust/NZ Blend Cow 90% EC 7:45	2.37	2.37	2.35
Weekly Weighted Average Blended Boxed Beef Cutout Index	263.68	265.60	271.43



### EST. DAILY CATTLE SLAUGHTER

	M	T	W	TH	F	S	Total
TW	121	127	127	125	122	19	641
LW	124	127	127	126	124	31	659
*LY	119	123	120	114	114	46	635

### EST. DAILY HOG SLAUGHTER

	M	T	W	TH	F	S	Total
TW	475	483	490	490	484	153	2,575
LW	489	484	490	491	487	95	2,536
*LY	477	478	426	411	425	218	2,436

### EST. DAILY SHEEP SLAUGHTER

	M	T	W	TH	F	S	Total
TW	9	8	6	6	5	0	34
LW	9	8	6	5	5	0	33
*LY	9	6	6	5	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	1	1	2	0	7

### EST. DAILY COW & BULL SLAUGHTER

	F	S	M	T	W	TH	Total
LW	1/20	1/21	1/23	1/24	1/25	1/26	Total
	29	13	27	29	29	28	155
TW	1/27	1/28	1/30	1/31	2/1	2/2	Total
	28	7	26	26	29	28	144
*LY	27	13	26	28	29	27	150

\*Last Year's numbers are rounded

### FOREIGN EXCHANGE RATES

	This Week	Last Week	Last Year
Australia, Dollar	0.697	0.712	0.706
Mexico, Peso	18.892	18.720	20.695
Canada, Dollar	1.342	1.332	1.276
Japan, Yen	130.357	129.667	115.292
China, Yuan (RMB)	6.766	6.782	6.361
Brazil, Real	5.108	5.066	5.340
South Korea, Won	1,242.80	1,232.19	1,200.01
Taiwan, Dollar	29.867	30.233	27.802
European Union, Euro	1.084	1.087	1.142

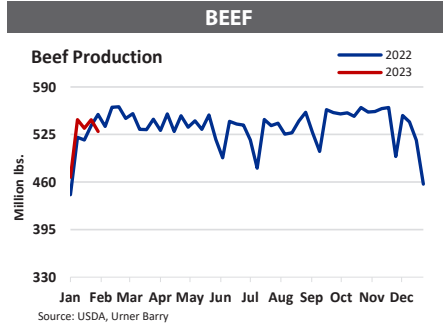
### COLD STORAGE STOCKS

(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-03 v. Jan-27				
	CHOICE	SELECT	NO-ROLL	CAB
Rib	-0.66%	1.23%	-0.85%	-6.09%
Chuck	-1.53%	0.34%	1.28%	-1.63%
Round	-1.23%	-0.82%	-0.57%	-0.06%
Loin	-0.55%	0.60%	0.34%	-0.63%
Brisket	-3.17%	0.13%	0.13%	-1.25%
Plate	0.84%	0.84%	0.84%	0.60%
Flank	0.60%	0.62%	0.64%	0.33%
<b>Total</b>	<b>-0.93%</b>	<b>0.37%</b>	<b>0.25%</b>	<b>-1.81%</b>



**BEEF COMMENTARY**

Across the board, the boxed beef market trended lower. There was not a single area to buck this trend as a whole, a few individual items escaped fate but that was it. Business conditions are becoming tougher to navigate across the value chain with various issues at each level. Packers are fighting with ranchers for the price of cattle, ranchers fighting weather and feed costs, distributors getting lighter orders, retailers fighting a finicky consumer – take your pick there seems to be something for everyone.

**LIVE CATTLE:** There were limited sales to take place in the cash cattle markets this week. The south stood at a standstill throughout the week. Iowa saw trade take place at mostly \$154.00/cwt live (full range \$154.00 to \$158.00/cwt live); \$245.00 to \$248.00/cwt dressed. Light sales took place in Nebraska at \$248.00/cwt dressed.

**SLAUGHTER & BEEF PRODUCTION:** The weekly federally inspected slaughter was 641,000 head, compared to 659,000 head last week. Adverse weather hindered some operations. Live weights lost one pound to 1385 pounds. Dressed weights edged two pounds lower to 827 pounds.

**RIBS:** The rib complex was a bit unsettled this week due to a couple factors, seasonality, quality grade performance, and overall demand. Choice items slide south due the increase in available supplies along with buyers being firm on their bids. Select and No-Roll items moved higher from the opposite stance, supplies are very tight, and sellers have the leverage right now.

**CHUCKS:** The chuck complex held relatively steady on the week with a few items coming under a slight pressure throughout the week. Chuck rolls led the way lower on a percentage basis – about 4% while chuck tenders and clod tenders inched modestly lower. Supplies are beginning to weigh a bit heavier on prices, but sellers held firm to the majority of asks.

**ROUNDS:** Items within the round arena came under slight pressure once again this week as appetite for end cuts remains below the available supplies. With a fairly mild winter so far interest has been sluggish to say the least. With a cold snap hitting the east coast this weekend and retail features that are broad based across the animal, this should give the market insight into where consumers appetite for beef as well as spending lies.

**LOINS:** It was more of a mixed bag within the loin complex this week. Tenderloins and short loins came under down pressure with the latter seeing significant discounting. Strips on the other hand continued their upward trajectory, although not with the conviction seen in the weeks previous. With retail features believed to have supported this area through the first couple of months, many participants have indicated this should be coming to an end.

**GROUND BEEF:** The grinds complex held steady across the board this week as Super Bowl interest appears to be the impetus in maintaining current values. Market participants continued to stat there is still value to be extracted from this area.

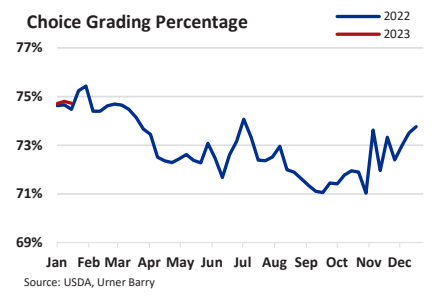
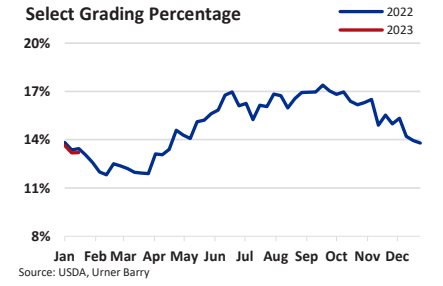
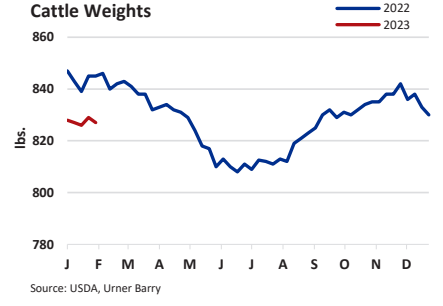
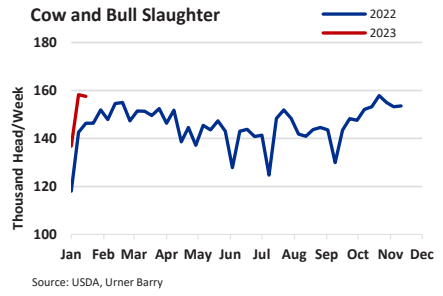
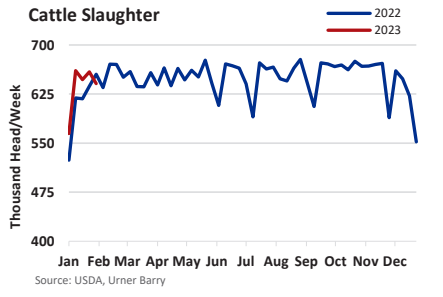
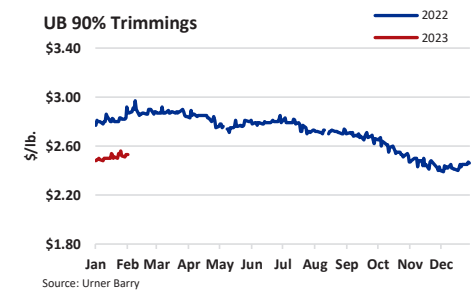
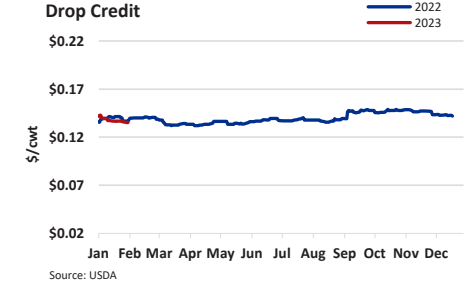
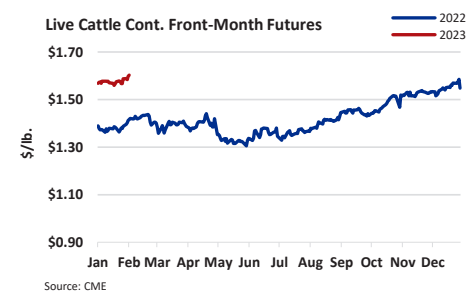
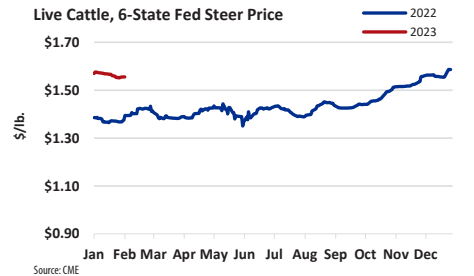
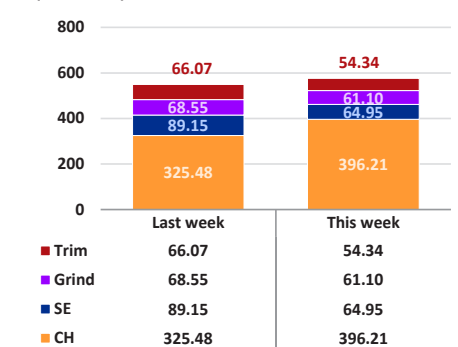
**BONELESS BEEF:** The lean boneless beef market was generally steady to a little firmer this week. Winter storms caused disruptions in the market, leading to tighter supplies than expected, resulting in firmer price levels. The fresh 50s market saw upward momentum, with availability differing among packers. This week's cattle slaughter was estimated at 622,000 head, a decrease of 6,000 compared to the previous week.

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

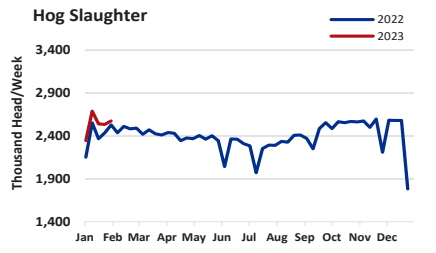
	M	T	W	TH	F
TW	20.33	17.47	17.11	16.13	16.84
*LW	20.44	20.44	20.26	20.98	20.19

\*Last Week's numbers are rounded

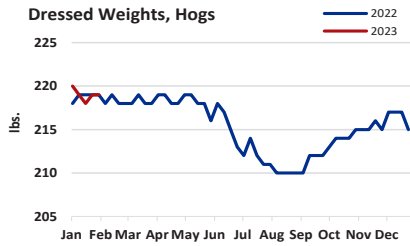
**Weekly Beef Breakdown** Source: USDA, Urner Barry  
 (# of loads) 1 load = 40,000 lbs.



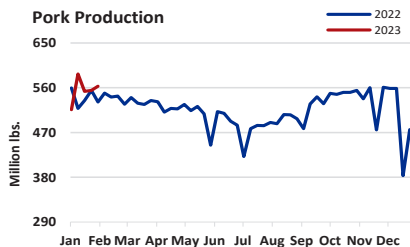
**PORK PRODUCTION**



Source: USDA, Urner Barry



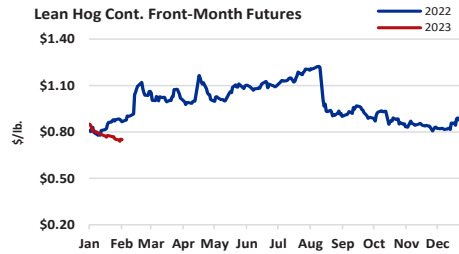
Source: USDA, Urner Barry



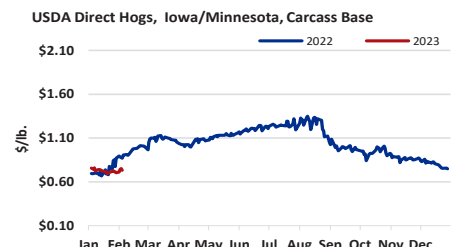
Source: USDA, Urner Barry

**LIVE HOGS & CUTOUT**

PORK CUTOUT	Jan-27	Feb-03	Change
Loin	83.660	81.130	-2.530
Butt	90.790	88.030	-2.760
Picnic	63.350	63.630	0.280
Sparerib	123.890	122.680	-1.210
Ham	78.060	77.010	-1.050
Belly	95.640	96.850	1.210
<b>Cutout Value</b>	<b>81.294</b>	<b>80.296</b>	<b>-0.998</b>



Source: CME



Source: USDA, Urner Barry

**PORK COMMENTARY**

This week in pork, mixed demand from both domestic and export channels, supplies varying greatly by location, and inclement weather throughout the southern US impacted pork trade. Urner Barry's pork carcass cutout decreased by 1.23 percent during the week. Estimates of margins for outside purchasers of hogs on Thursday were \$5.01/head while margins for vertically integrated packers were estimated at -\$33.13/head.

**PORK PRODUCTION:** Pork production for the week ending 02/04/2023 was estimated to be 563 million pounds. This was 1.5 percent more than last week and 6 percent above the same week a year ago. Live hog weights averaged 294 pounds for the week, which was even with last week and 1 pound above the same week a year ago.

**GREEN MEATS:** In the green meat complex, hams traded below their recently established ranges. Bone-in items experienced pushback from both domestic and export channels while boneless items were weaker on reduced deli demand. In the belly category, an unsettled undertone applied as wide ranges were observed. Bacon demand was reportedly lackluster this week. In trim, both 42s and 72s saw gains on strong further processor demand while boneless picnics saw resistance to their recently elevated price levels.

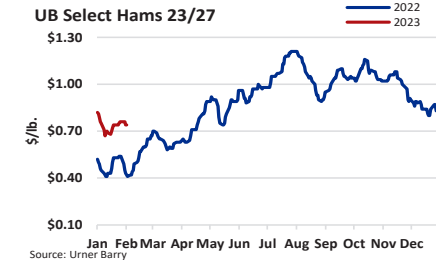
**HAMS:** Bone-in ham values were \$1.00/cwt to \$2.50/cwt lower, while boneless cuts were \$0.50/cwt to \$1.50/cwt weaker.

**BELLIES:** Skinless bellies were \$0.50/cwt weaker to \$4.00/cwt firmer.

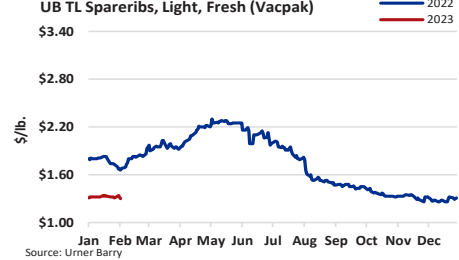
**TRIMMINGS:** 42s and 72s were \$3.50/cwt and \$1.00/cwt firmer this week, respectively. Meanwhile, boneless picnics were \$2.00/cwt weaker.

**RETAIL:** 1/4 inch bone-in loins were \$5.50/cwt weaker while 1/8-inch cuts decreased \$6.50/cwt. Boneless strap-ons increased \$0.50/cwt while strap-offs decreased \$3.00/cwt. Bone-in sirloins were flat while boneless sirloins were \$3.50/cwt weaker. Tenderloins were generally unchanged. 1/4" bone-in butts decreased \$5.00/cwt while boneless butts also declined \$1.00/cwt. Light spareribs were \$1.00/cwt weaker while medium spareribs were down \$1.50/cwt.

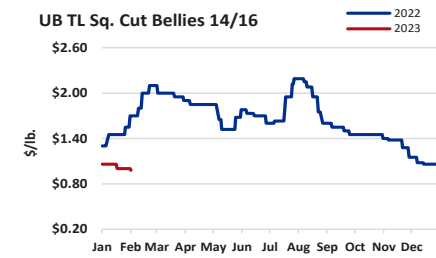
**PORK PROCESSING ITEMS & RETAIL CUTS**



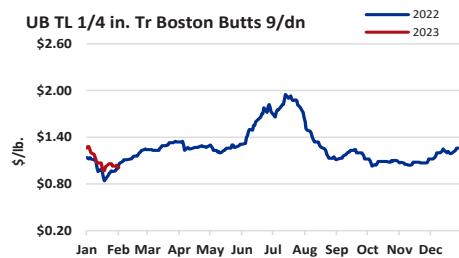
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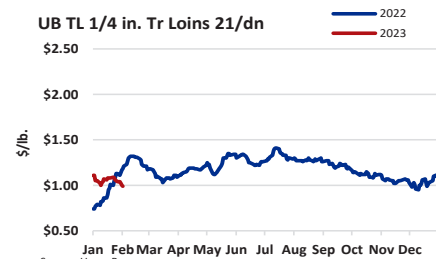
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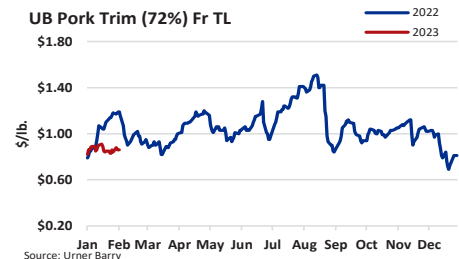
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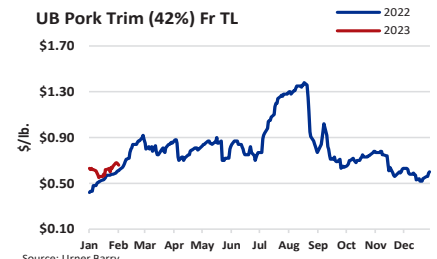
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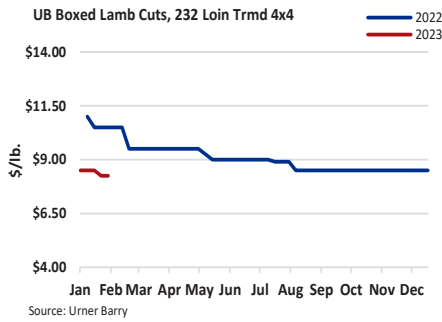
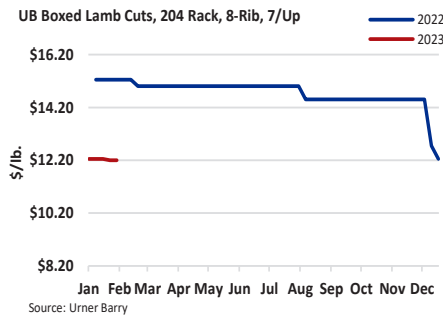
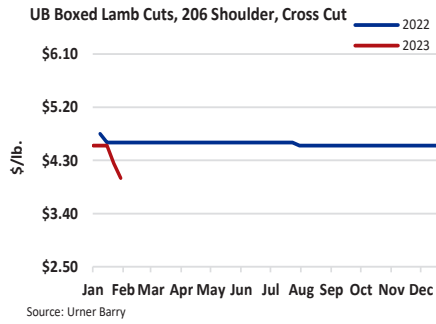
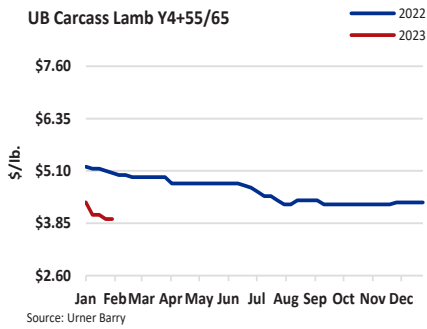


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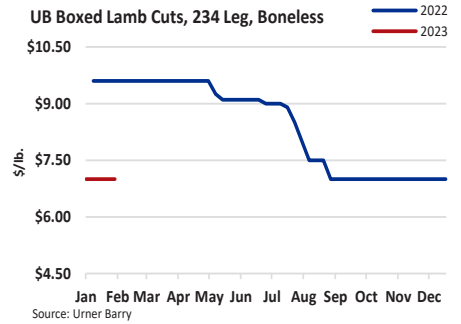
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LAMB

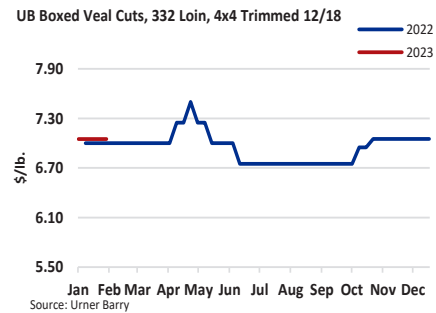
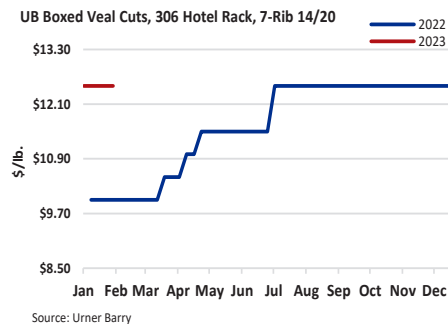
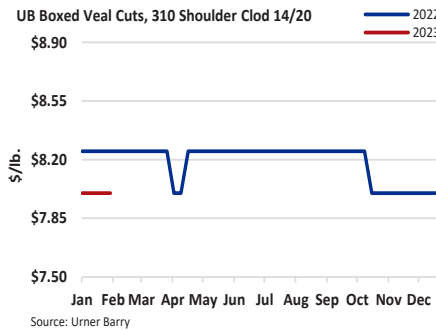
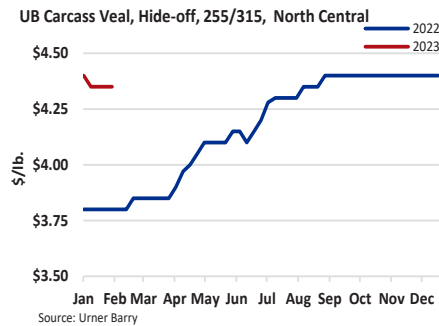


LAMB COMMENTARY

In domestic lamb, activity was a bit quieter than what we witnessed last week. Shoulder and breast items saw declines on reduced interest while all other items on the Urner Barry price sheet were steady. Carcasses were unchanged as well. Competitive offerings from Australia were noted. In the most recent weekly Estimate Meat Under Federal Inspection report, slaughter was reported at 33,000 head, which was 1,000 more than last week and 4,000 more than a year ago. For weights, the figure came in at 125 pounds which was 1 pound heavier than last week and 4 pounds below a year ago.

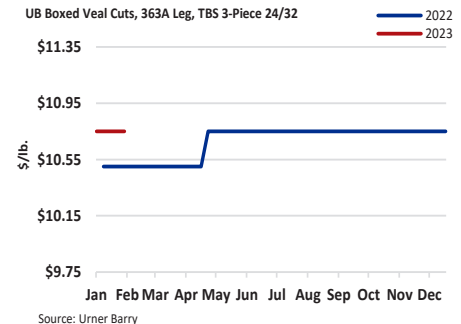


VEAL

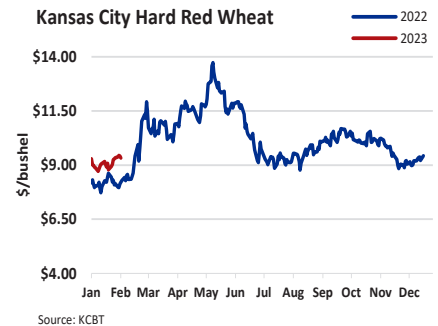
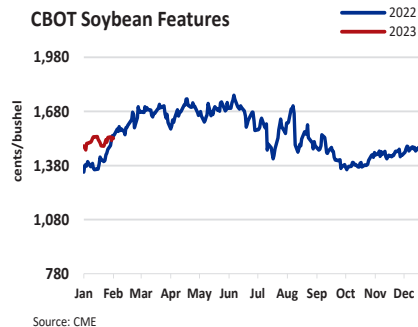
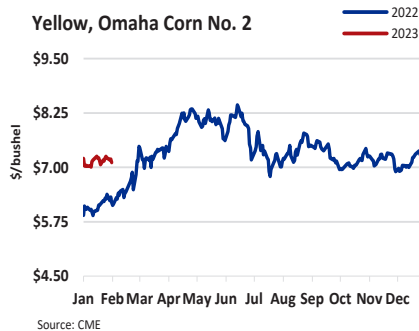


VEAL COMMENTARY

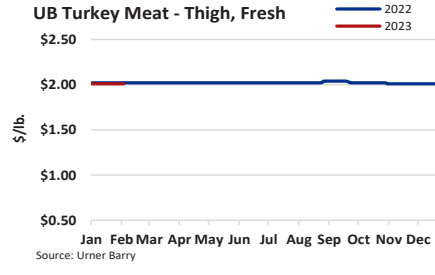
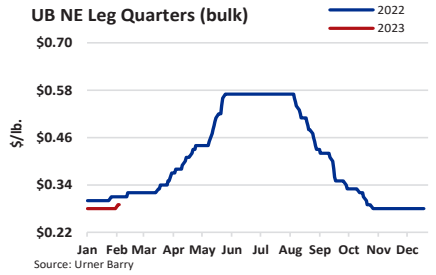
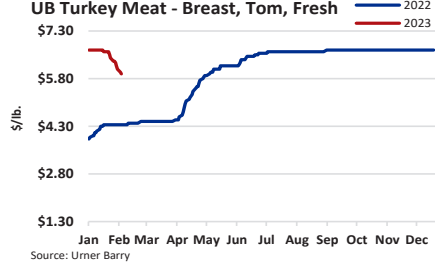
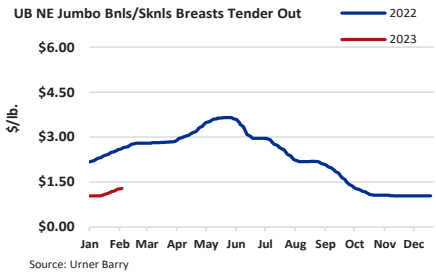
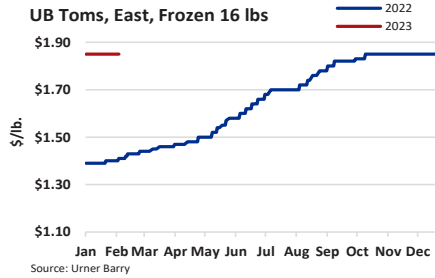
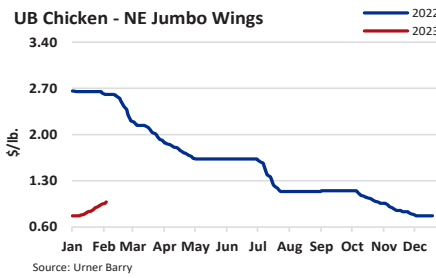
In the veal market this week, minimal changes were observed. Carcass and boxed cut prices were unchanged and steady with the previous week. Demand ahead of Valentine's has been lackluster, but with supplies being generally tight, weakness to price levels was avoided. In the most recent weekly USDA Special Fed Veal Slaughter report, it was indicated that slaughter was at 2,647 head for this week, which was 22.30% higher than last week. For weights, the figure came in at 283.7 pounds, which is 1.6 pounds higher than the previous period.



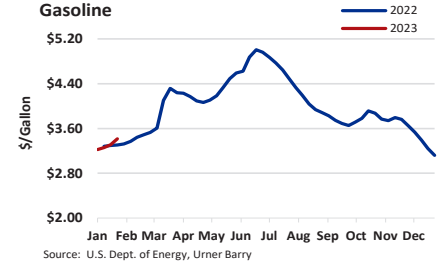
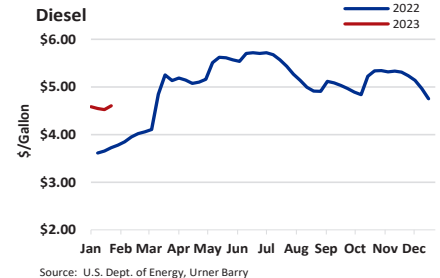
FEEDS: CORN, SOY BEAN, RED WHEAT



**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**

Whole chickens and WOGs are solidly established overall. Breast meat offerings are adequate to barely adequate. Weather complications and the fallout, as well as Saturday plant schedules and demand for next week, are the most spoken-about topics this week. Tenders continue to be sought after with regularity at full market or higher price points. Wings are receiving a strong call and are held by sellers with supreme confidence. As for the back half of the bird, whole legs, both fresh and frozen, are pursued with vigor at up money. Thighs and thigh meat are likewise robustly sought after but demand isn't quite as strong as legs. Leg quarters continue to gain steam, with select sellers having success in raising their asks. Leg meat is steady overall, but offerings are tightening.

Whole-body toms and hens remain well-accounted for overall, although spot movement

is quiet. Consumer-sized breasts are at least adequate for the seasonal pull. Institutional-sized breasts are well-cleared and held for full market levels. Drums, whole wings, and necks search for a price floor. Sellers of fresh whole-muscle white meats demonstrate a willingness to haggle when necessary. Frozen values are maintained. That being said, most input paints a seasonal picture to spot demand. Fresh and frozen tenderloins are placed behind the market. The undertone surrounding thigh meat and MST generally mixed.

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