

Friday, February 09, 2024

Number 07- Volume 17

### WEEKLY COMMODITY AT A GLANCE

	This Week	Last Week	Last Year
Omaha, US No 2 Yellow Corn	UNQ	4.56	7.09
CBOT Soybean	1,183.50	1,188.50	1,542.50
NYMEX Light Crude Oil	76.84	72.28	79.72
Loose Lard, Chicago Basis	0.49	UNQ	UNQ
Edible Tallow, Chicago Basis	0.55	0.55	0.710
Beef Trimmings, 90% Fresh	310.00	298.00	258.00
Beef Trimmings, 50% Fresh	102.00	102.00	117.00
Aust/NZ Blend Cow 90% EC Spot	262.00	260.00	239.00
USDA Drop Credit	0.116	0.117	0.133
112A 3 Ribeye Roll, Lip-On CH	975.00	975.00	1,000.00
116A 3 Chuck Roll, Neck-Off CH	450.00	460.00	350.00
168 3 Round, Top (Inside) CH	305.00	295.00	265.00
180 3 Strip Loin, Bnls, Ox1 CH	780.00	775.00	825.00
136 Coarse Ground 81%	278.00	295.00	230.00
189A 4 Loin, Tenderloin, PSMO CH	1,390.00	1,405.00	1,425.00
Cattle-Fax, 6-State Fed Steer Price	177.78	175.37	158.19
Select Hams 20/23	74.00	73.00	75.00
Sq Cut Bellies 14/16	133.00	148.00	99.00
1/4 Trmd. Loins 21/dn	103.00	105.00	103.00
1/4 Tr Boston Butts 9/dn	110.00	107.00	101.00
Spareribs, Light, Fresh	152.00	147.00	126.00
Fresh Pork Trim (42%)	40.00	42.00	65.00
Fresh Pork Trim (72%)	82.00	86.00	91.00
Carcass Lamb Y4+55/65	4.36	4.36	3.95
Lamb Cuts, 204 Rack, 8-Rib, 7/Up	11.50	11.50	12.20
Lamb Cuts, 206 Shoulder, Cross Cut	3.95	3.95	4.00
Lamb Cuts, 232 Loin Trmd 4x4	7.05	7.05	8.25
Lamb Cuts, 234 Leg, Boneless	7.60	7.60	7.00
Carcass Veal, Hide-off, 255/315, NC	4.50	4.50	4.35
Veal Cuts, 306 Hotel Rack, 7-Rib 14/20	10.50	10.50	12.50
Veal Cuts, 310 Shoulder Clod 14/20	7.75	7.75	8.00
Veal Cuts, 332 Loin, 4x4 Trim 12/18	7.00	7.00	7.05
Veal Cuts, 363A Leg, TBS 3-Pc 24/32	10.25	10.25	10.75

Quotes represent the high side of Friday's trading range

### RIEMANN CONTRACT SETTLEMENTS

	2/9	2/2	1/26
Weekly Imported Aust/NZ Blend Cow 90% EC 7:45	2.61	2.57	2.49
Weekly Weighted Average Blended Boxed Beef Cutout Index	292.22	293.60	297.80

UB Beef Index



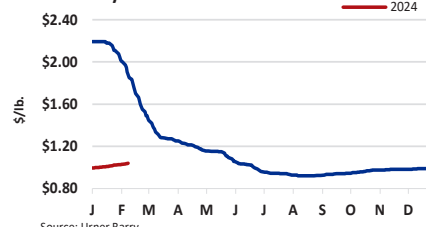
Source: Urner Barry

UB Pork Cutout



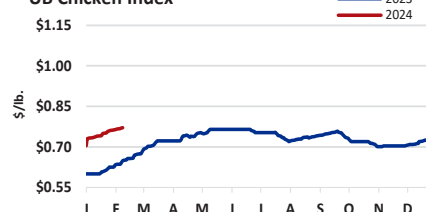
Source: Urner Barry

UB Turkey Index



Source: Urner Barry

UB Chicken Index



Source: Urner Barry

### EST. DAILY CATTLE SLAUGHTER

	M	T	W	TH	F	S	Total
TW	125	125	126	125	117	4	622
LW	125	127	127	126	121	11	637
*LY	125	123	124	122	14	124	633

### EST. DAILY HOG SLAUGHTER

	M	T	W	TH	F	S	Total
TW	487	492	487	491	484	181	2,622
LW	490	492	491	482	487	249	2,691
*LY	475	481	483	472	86	482	2,478

### EST. DAILY SHEEP SLAUGHTER

	M	T	W	TH	F	S	Total
TW	11	9	7	7	5	0	39
LW	9	8	7	7	3	0	34
*LY	9	6	7	4	0	9	36

### 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	1	1	2	0	1	7

### EST. DAILY COW & BULL SLAUGHTER

	F	S	M	T	W	TH	Total
LW	1/26	1/27	1/29	1/30	1/31	2/1	133
TW	2/2	2/3	2/5	2/6	2/7	2/8	137
*LY	7	25	28	29	28	29	146

\*Last Year's numbers are rounded

### FOREIGN EXCHANGE RATES

	This Week	Last Week	Last Year
Australia, Dollar	0.650	0.655	0.694
Mexico, Peso	17.090	17.174	18.714
Canada, Dollar	1.346	1.342	1.338
Japan, Yen	148.940	146.619	130.740
China, Yuan (RMB)	7.115	7.123	6.806
Brazil, Real	4.980	4.939	5.246
South Korea, Won	1,330.16	1,332.02	1,264.92
Taiwan, Dollar	31.376	31.311	30.145
European Union, Euro	1.077	1.083	1.069

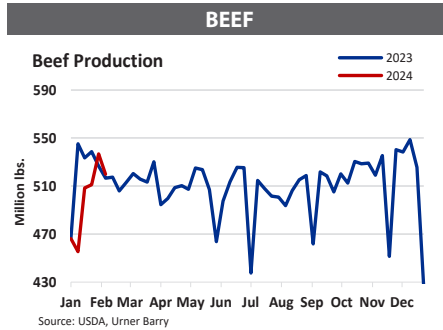
### COLD STORAGE STOCKS

(Pounds in Thousands)	12/31/23	11/30/23	12/31/22
Beef in Freezer, Bnls	441,586	417,122	498,225
Beef Cuts	43,541	40,289	45,730
<b>Total Beef</b>	<b>485,127</b>	<b>457,411</b>	<b>543,955</b>
<b>PORK &amp; OTHER</b>	<b>12/31/23</b>	<b>11/30/23</b>	<b>12/31/22</b>
Pork in Freezer, Picnics	6,219	7,309	5,734
Hams	55,003	57,290	53,414
Bellies	56,017	48,323	63,015
Loins	42,401	40,509	36,325
Spareribs	80,508	76,106	112,495
Butts	17,742	18,812	20,226
Trimmings	17,742	18,812	53,075
Other Pork in Freezer	51,856	51,549	46,050
Total	427,300	415,662	456,379
Veal in Freezer	958	890	1,389
Lamb & Mutton in Freezer	26,505	22,430	26,505
<b>Total</b>	<b>21,333</b>	<b>23,320</b>	<b>27,894</b>

Data Updated: January 24, 2024

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 \$42.00 a month.

UB BEEF CUTOUT Feb-09 v. Feb-02				
	CHOICE	SELECT	NO-ROLL	CAB
Rib	-1.86%	-1.14%	-1.08%	-2.62%
Chuck	-2.37%	-1.94%	-1.79%	0.73%
Round	0.93%	0.51%	0.72%	0.44%
Loin	-0.76%	-0.92%	-0.67%	-1.32%
Brisket	-0.94%	-0.94%	8.16%	-1.26%
Plate	-4.80%	-4.80%	-4.80%	-0.40%
Flank	-4.52%	-4.63%	-6.06%	-2.08%
<b>Total</b>	<b>-1.34%</b>	<b>-1.23%</b>	<b>-0.73%</b>	<b>-0.61%</b>



**BEEF COMMENTARY**

The boxed beef market developed into what could be described as a stalemate. Participants cited another quiet week, leading to ho-hum attitudes throughout. With live cattle continuing to trade at higher levels, packers remained focused on margins and increasing input costs, leading to steady-to-higher asks across most key lines. Buyers on the other hand cited lackluster seasonal demand and an unwillingness to take any major positions as beef sits on the backburner in February. This led to yet another week of hand-to-mouth purchasing with a few isolated pockets of robust trade.

**LIVE CATTLE:** Live cattle trade was extremely limited throughout the week. Trade in Nebraska was \$1.25 to \$2.00 higher from the week prior at \$180.00/cwt live. Trade in the South was \$3.00 to \$4.00 higher at \$182.00/cwt live. Confirmed sales were made in Iowa/Minnesota at \$168.00 to \$177.00/cwt live and \$276.00/cwt dressed. Light trade was reported in Texas at \$178.00/cwt live.

**SLAUGHTER & BEEF PRODUCTION:** The weekly federally inspected slaughter for the week was 622,000 head, compared to 637,000 in the week prior. Live cattle weights moved nine pounds lower to 1388 pounds. Dressed weights moved seven pounds lower to 838 pounds.

**RIBS:** Ribs saw a hint of further weakness this week as supplies continued to grow as demand remained focused elsewhere. The weakness was predominately isolated within boneless product as foodservice needs have been largely met in weeks prior. Buyers were particularly keen on taking on only immediate needs as fears persist of owning expensive inventory. Late week clean up type style sales took place but momentum lacked in either direction, leaving prices fairly steady on the week.

**CHUCKS:** Although a weaker bias persisted within the chuck, price adjustments were incremental and led to tighter trading ranges as the week wore on. As buyers showcased little fear over availability, they were able to bid clods, chuck rolls, and clod tenders lower. Chuck Rolls were the notable item within the category losing nearly 5-percent on the week but prices still remain nearly 23-percent higher than year-ago levels.

**ROUNDS:** Changes within the round complex were a bit more muted compared to the chuck. Inside rounds saw strength develop later in the week as sellers were able to stamp trade at higher levels for those that were short bought. On the other hand, softness developed within some of the more labor-intensive cuts alongside outside rounds as high prices began to cure high prices.

**LOINS:** An unsettled picture was painted within the loin arena. Strength was exhibited within the strip category and remained a bright spot for sellers. Other items within the loin saw prices travel in the complete opposite direction. Tenderloins again saw prices depreciate as supplies continued to outpace demand by a large margin. Top butts faced a similar fate and prices moved lower as buyers dug their heels in.

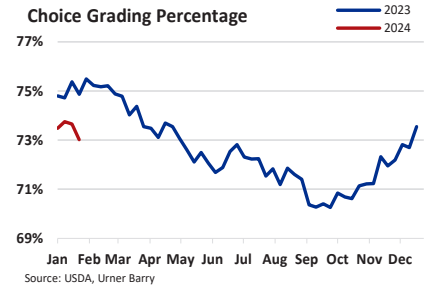
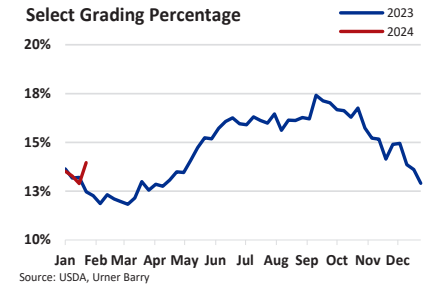
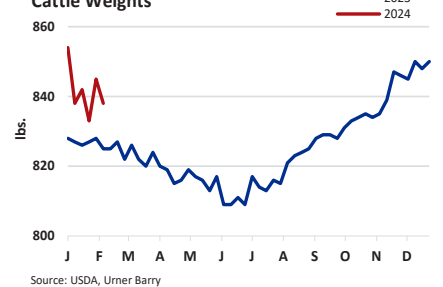
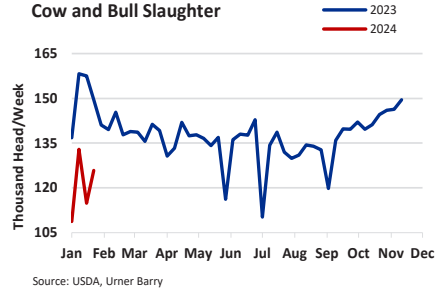
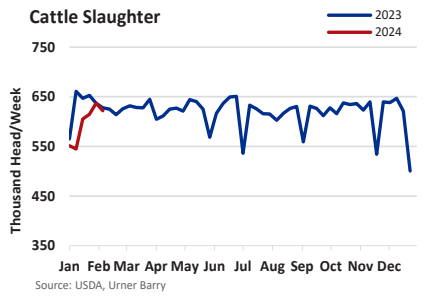
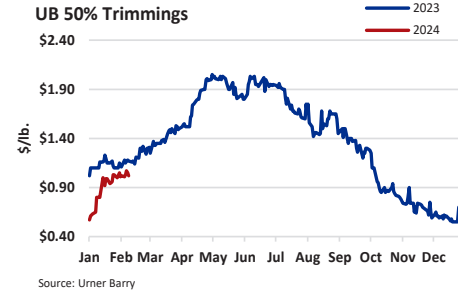
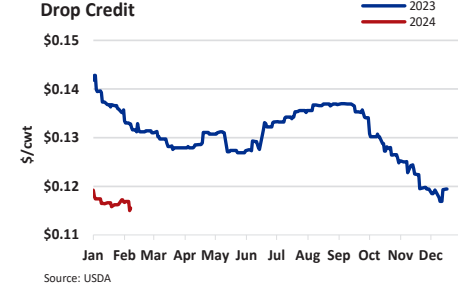
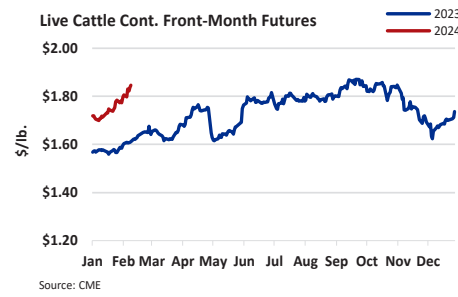
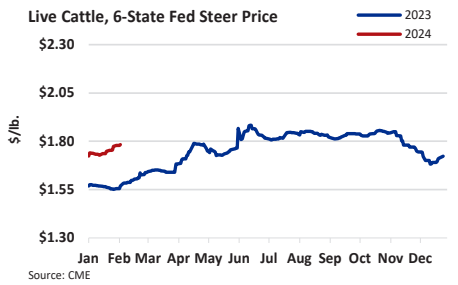
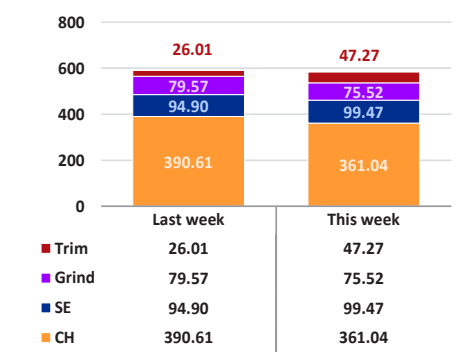
**GROUND BEEF:** Coarse grinds came under some slight downward pressure as buyers began to back off at current price levels as supplies were a bit irregular. This led to prices moving lower for 73% and 81% coarse grinds. At the same time, there were still some participants reported to be in need heading into the Super Bowl, allowing primal-sourced grinds to hold mostly steady throughout the week.

**BONELESS BEEF:** The domestic trim market experienced a wild turn to conclude the week, particularly in the 50s segment. Beginning the week with a steady and subdued tone, Friday witnessed a significant drop of \$.23/lb. in pricing on substantial volume, marking a surprising turn of events. Meanwhile, the lean market was relatively uneventful, with the 90s quotation making steady gains, reaching \$3.0255/lb. at the week's outset. The overall market is poised to be a challenge for industry participants, given the escalating prices of fed cattle and cows, resulting in uncertainty over production hours in the near term, combined with a traditionally slow month for business in February.

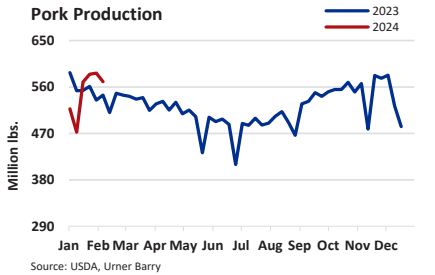
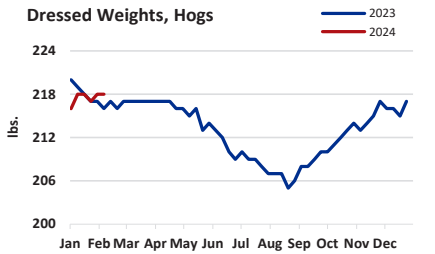
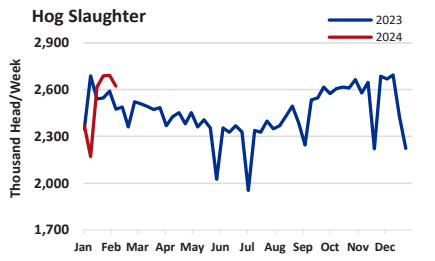
UB BEEF CUTOUT-CH/SE SPREAD (\$/cwt)					
	M	T	W	TH	F
TW	12.99	12.14	11.75	12.41	12.49
*LW	14.90	13.20	12.87	12.73	12.97

\*Last week's numbers are rounded

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

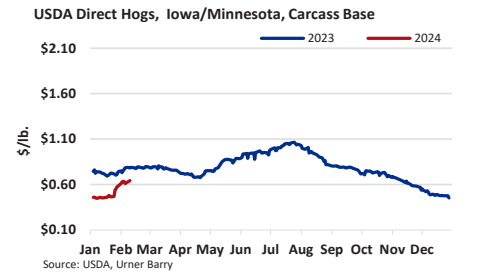
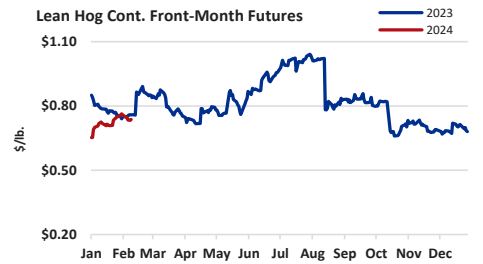


**PORK PRODUCTION**



**LIVE HOGS & CUTOUT**

PORK CUTOUT	Feb-02	Feb-09	Change
Loin	85.050	84.110	-0.940
Butt	92.020	94.810	2.790
Picnic	69.620	67.480	-2.140
Sparerib	137.650	143.930	6.280
Ham	71.380	71.280	-0.100
Belly	141.160	126.480	-14.680
<b>Cutout Value</b>	<b>89.420</b>	<b>87.071</b>	<b>-2.349</b>



**PORK COMMENTARY**

In the pork market this week, softer corn and soybean prices compared to 2023 levels, Easter preparations, heavy hogs, and last-minute preparations for Superbowl, impacted pork trade. Urner Barry's pork carcass cutout decreased by 2.63 percent during the week. Estimates of margins for outside purchasers of hogs for Thursday were \$38.06/head, while margins for vertically integrated packers were estimated at -\$6.76/head.

**PORK PRODUCTION:** Pork production for the week ending 2/10/2024 was estimated to be 570.4 million pounds. This would be 2.8 percent lower than last week and 6.7 percent higher than this same week a year ago. Live hog weights averaged 293 pounds for the week, which was steady compared to last week, and 3 pounds heavier this same week a year ago.

**GREEN MEATS:** In the green meat complex, bone-in hams experienced support due to active demand from both domestic and export channels, with supplies observed as slightly tighter towards the week's end. Conversely, boneless ham muscles showed a slight softening, attributed to fully adequate supplies available on the spot market. Bellies weakened as an influx of fresh supplies entered the market, though pockets of demand emerged as price levels decreased. Within the trim category, a barely steady tone was observed across 42s, 72s, boneless picnics, and ham trim, driven by hogs maintaining heavier weights and supplies becoming more readily available.

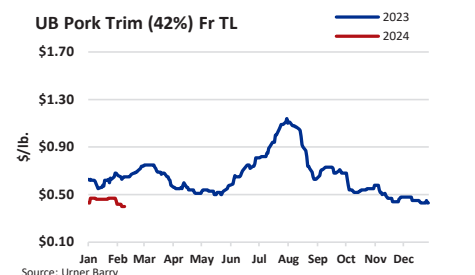
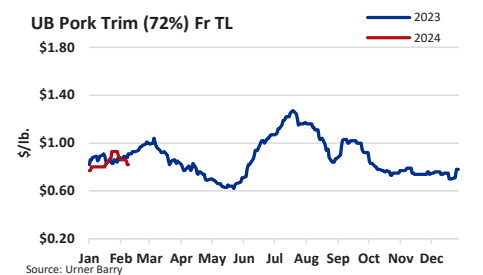
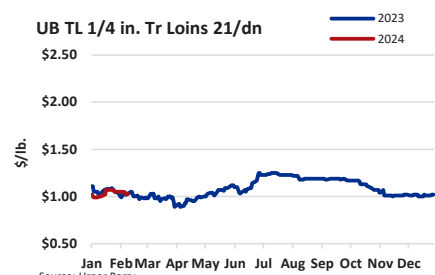
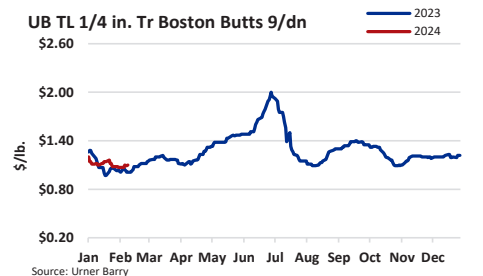
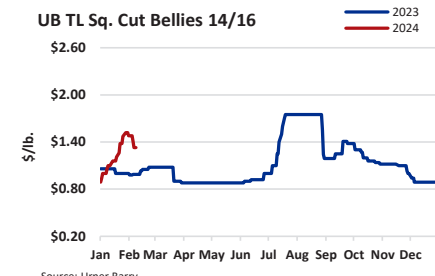
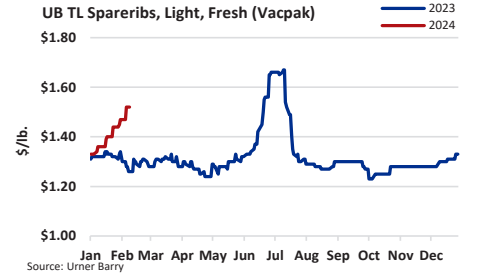
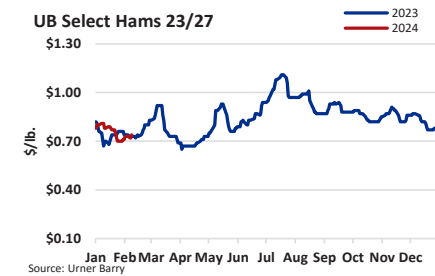
**HAMS:** Bone-in hams were \$1.50/cwt firmer, while boneless lite butt and knuckles cuts were \$2.00/cwt softer.

**BELLIES:** Heavy skinless bellies were \$20.50/cwt weaker, while light bellies were \$18.00/cwt weaker.

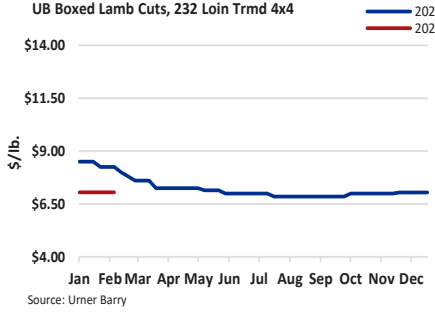
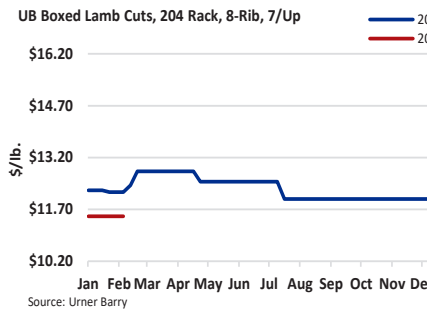
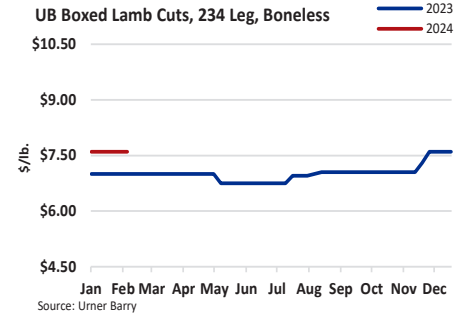
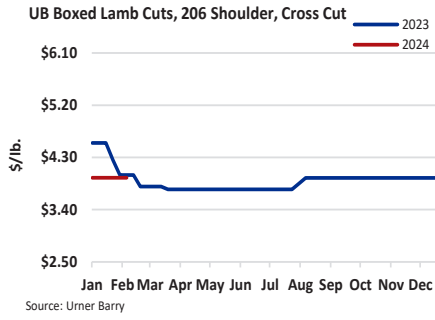
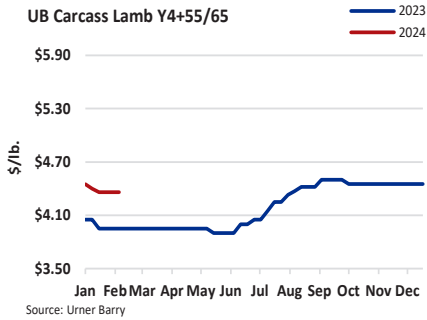
**TRIMMINGS:** 42s were \$2.00/cwt weaker, 72s were \$4.00/cwt weaker, while boneless picnics were \$4.00/cwt weaker.

**RETAIL:** 1/4" bone-in loins were \$1.00/cwt weaker, while 1/8" bone-in loins were \$1.50/cwt softer. Boneless strap-ons were \$2.00/cwt weaker, while strap-offs were a \$1.00/cwt softer. Bone-in sirloins were \$1.00/cwt firmer, while boneless sirloins were also \$3.00/cwt higher. Tenderloins were steady. 1/4" bone-in butts were \$3.50/cwt firmer, while boneless butts were also \$3.50/cwt higher. Light spareribs were \$5.00/cwt firmer, while medium spareribs were \$7.00/cwt firmer.

**PORK PROCESSING ITEMS & RETAIL CUTS**



LAMB

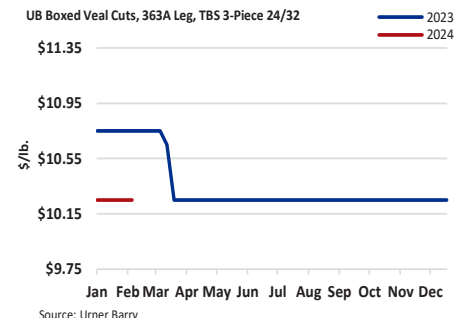
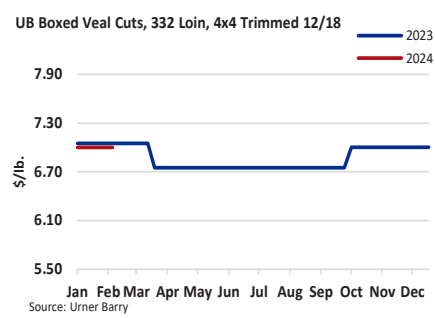
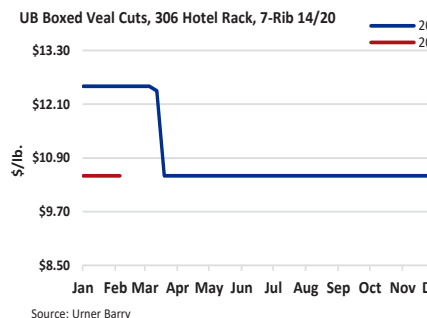
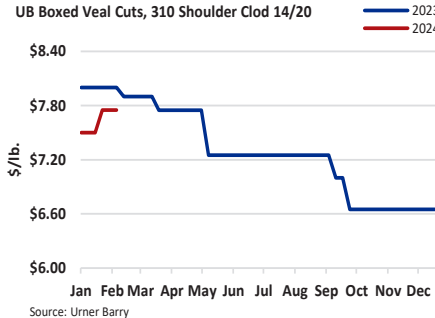
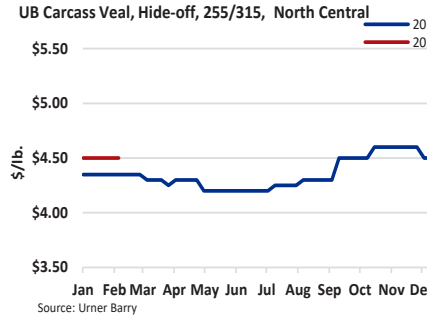


LAMB & VEAL COMMENTARY

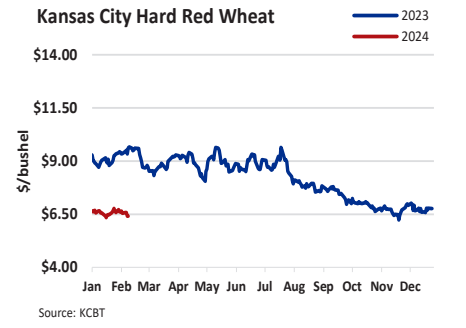
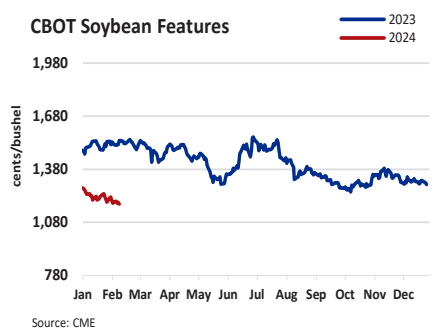
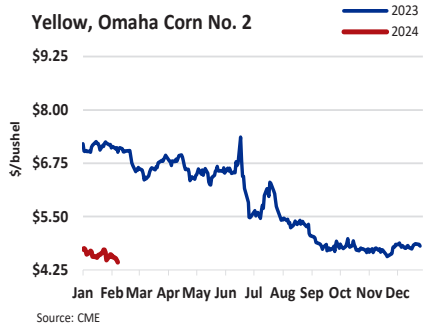
A steady tone was maintained for veal carcasses and boxed cuts this past week. Notably, prices for hindshanks and veal legs (Top Round) reached all-time high levels. According to the latest USDA Carlot Veal Carcass report, the fed veal slaughter for the week ending February 2nd, 2024, totaled 2,541 head, marking a 6.4% increase from the previous week. Additionally, there was an increase in average weights, with an 8.5 pound rise from the previous week, representing approximately a 3% week-over-week increase. As per the retail features on COMTELL, in the Northeast, the only item prominently featured was the boneless cutlet, priced at \$12.99/lb until the end of that week.

In the domestic lamb market this past week, prices for carcasses and boxed cuts remained steady. As the Easter holiday approaches, it's important to note that prices for lamb legs at retail typically increase due to increased demand from Catholic consumers. The latest USDA report (5-Day Rolling Average Boxed Lamb Cuts - Negotiated Sales) showed that the traded volume of fresh product reached 429,150 pounds, reflecting a 4.6% increase from the previous week. However, the volume for frozen products dropped to 72,633 pounds, a decrease of 7.1%. According to the most recent weekly Estimated Meat Production Under Federal Inspection Report, slaughter numbers stood at 34,000 head, which was 1,000 less than the week prior, but 2,000 more than the same period last year. The reported weights were 123 pounds, 3 pounds heavier than last week but 6 pounds lighter than the same period last year.

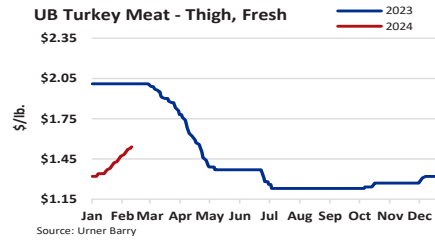
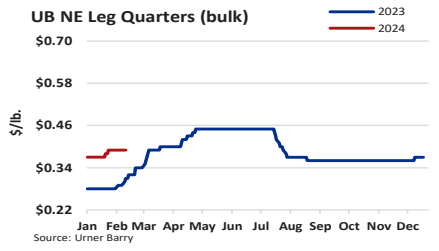
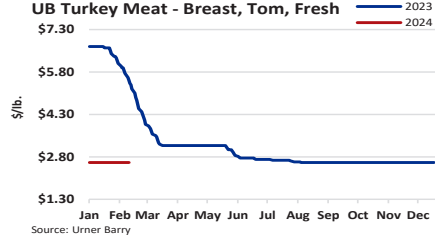
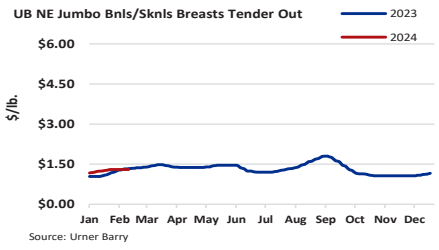
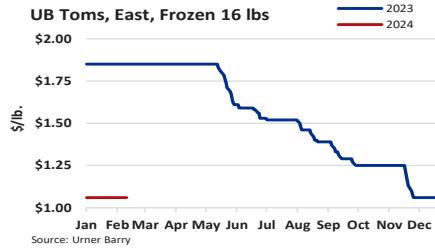
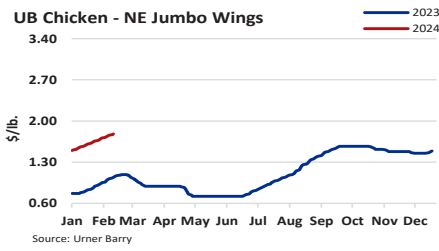
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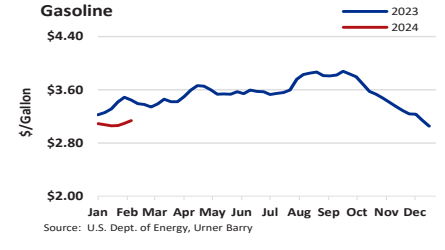
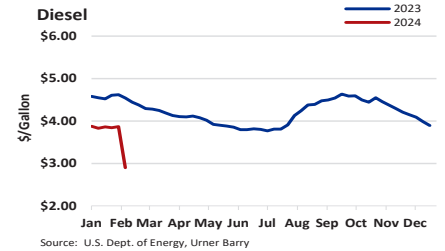
FEEDS: CORN, SOY BEAN, RED WHEAT



**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**

WOG offerings had achieved a balanced state by the week's end. In the boneless category, steady demand ensured that adequate supplies of jumbo were placed at steady levels. Meanwhile, heightened activity in the retail sector propelled medium ask prices upwards, with varying availability and starting ask prices for select sizes. Tenders and wings of all sizes continued to attract active interest, commanding full market or even higher prices. However, offerings were just barely sufficient to meet ongoing demand, a trend similarly observed in chunk and trim meats. Moving to the back half, legs and leg quarters saw smooth clearance at supportive levels, mirroring the scenario for drums and thighs. Notably, brisk demand for thigh meat persisted, outstripping available supply. Paid prices maintained an upward trajectory whenever spot loads were unveiled. The sentiment surrounding leg meat varied among market players, though generally

perceived as steady to fully steady.

Marketing experiences and spot availability of frozen whole-body toms and hens exhibited considerable variation among processors. Consumer and institutional-sized breasts were consistently maintained at listed levels, with adequate supplies observed. In the part sector, frozen whole wings continued to be held at no less than full market value. Input regarding fresh wings was diverse, with some sellers enjoying more reliable demand than others. This trend extended to frozen drums. Two-joint wings remained firmly established and rated as steady. In raw materials, fresh and frozen breast meats followed seasonal trends, with demand patterns characterized as fair. Fresh tenderloins were firmly established at listed levels, although a few sellers tested buyers' willingness to accept a slight overage. Despite this, trade experiences remained mixed, heavily influenced by individual market players. Fresh and frozen thigh meats were in short supply and high demand. MST was adequately represented across most sales points.

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