

Friday, January 13, 2023

Number 02- Volume 16

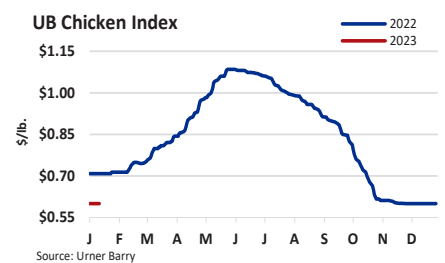
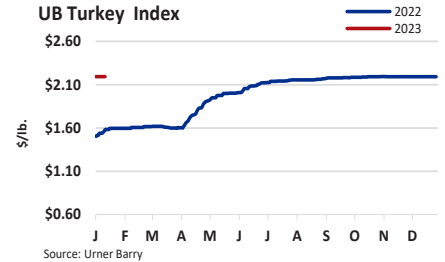
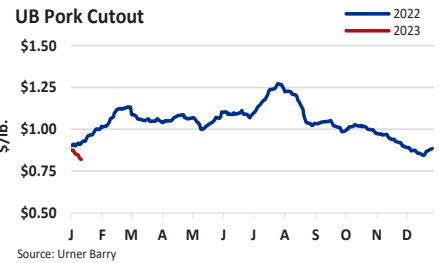
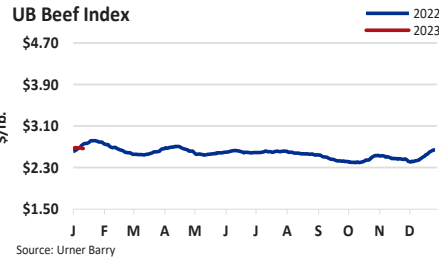
WEEKLY COMMODITY AT A GLANCE

	This Week	Last Week	Last Year
Omaha, US No 2 Yellow Corn	UNQ	7.04	5.98
CBOT Soybean	1,538.25	1,501.50	1,356.75
NYMEX Light Crude Oil	79.86	73.77	83.82
Loose Lard, Chicago Basis	0.80	0.80	0.82
Edible Tallow, Chicago Basis	0.79	0.84	0.760
Beef Trimmings, 90% Fresh	250.00	250.00	284.00
Beef Trimmings, 50% Fresh	116.00	110.00	123.00
Aust/NZ Blend Cow 90% EC Spot	235.00	235.00	295.00
USDA Drop Credit	0.137	0.140	0.141
112A 3 Ribeye Roll, Lip-On CH	1,150.00	1,250.00	880.00
116A 3 Chuck Roll, Neck-Off CH	390.00	390.00	400.00
168 3 Round, Top (Inside) CH	290.00	290.00	315.00
180 3 Strip Loin, Bnls, Ox1 CH	775.00	750.00	710.00
136 Coarse Ground 81%	250.00	250.00	285.00
189A 4 Loin, Tenderloin, PSMO CH	1,625.00	1,650.00	1,360.00
Cattle-Fax, 6-State Fed Steer Price	157.18	156.94	138.22
Select Hams 20/23	70.00	77.00	43.00
Sq Cut Bellies 14/16	106.00	106.00	145.00
1/4 Trmd. Loins 21/dn	104.00	105.00	86.00
1/4 Tr Boston Butts 9/dn	107.00	124.00	96.00
Spareribs, Light, Fresh	132.00	132.00	181.00
Fresh Pork Trim (42%)	55.00	62.00	52.00
Fresh Pork Trim (72%)	89.00	88.00	107.00
Carcass Lamb Y4+55/65	4.05	4.35	5.15
Lamb Cuts, 204 Rack, 8-Rib, 7/Up	12.25	12.25	15.25
Lamb Cuts, 206 Shoulder, Cross Cut	4.55	4.55	4.60
Lamb Cuts, 232 Loin Trmd 4x4	8.50	8.50	10.50
Lamb Cuts, 234 Leg, Boneless	7.00	7.00	9.60
Carcass Veal, Hide-off, 255/315, NC	4.35	4.40	3.80
Veal Cuts, 306 Hotel Rack, 7-Rib 14/20	12.50	12.50	10.00
Veal Cuts, 310 Shoulder Clod 14/20	8.00	8.00	8.25
Veal Cuts, 332 Loin, 4x4 Trim 12/18	7.05	7.05	7.00
Veal Cuts, 363A Leg, TBS 3-Pc 24/32	10.75	10.75	10.50

Quotes represent the high side of Friday's trading range

RIEMANN CONTRACT SETTLEMENTS

	1/13	1/6	12/30
Weekly Imported Aust/NZ Blend Cow 90% EC 7:45	2.34	2.36	2.37
Weekly Weighted Average Blended Boxed Beef Cutout Index	277.23	278.58	272.44



EST. DAILY CATTLE SLAUGHTER

	M	T	W	TH	F	S	Total
TW	129	127	127	122	123	33	661
LW	7	126	125	127	125	53	563
*LY	113	114	114	116	112	50	618

EST. DAILY HOG SLAUGHTER

	M	T	W	TH	F	S	Total
TW	485	458	490	488	486	281	2,688
LW	25	433	475	490	453	420	2,296
*LY	447	453	431	463	424	149	2,367

EST. DAILY SHEEP SLAUGHTER

	M	T	W	TH	F	S	Total
TW	8	8	7	6	5	0	34
LW	0	9	6	6	5	0	26
*LY	9	7	7	6	4	0	33

EST. DAILY CALVES SLAUGHTER

	M	T	W	TH	F	S	Total
TW	1	1	1	1	1	0	5
LW	0	1	1	1	1	0	4
*LY	1	2	2	1	2	0	8

EST. DAILY COW & BULL SLAUGHTER

	F	S	M	T	W	TH	Total
LW	12/30	12/31	1/2	1/3	1/4	1/5	129
TW	1/6	1/7	1/9	1/10	1/11	1/12	161
*LY	25	14	26	28	28	27	148

\*Last Year's numbers are rounded

FOREIGN EXCHANGE RATES

	This Week	Last Week	Last Year
Australia, Dollar	0.692	0.678	0.723
Mexico, Peso	18.882	19.238	20.303
Canada, Dollar	1.343	1.355	1.253
Japan, Yen	128.245	133.360	113.537
China, Yuan (RMB)	6.724	6.861	6.352
Brazil, Real	5.116	5.351	5.544
South Korea, Won	1,242.40	1,272.61	1,188.08
Taiwan, Dollar	30.300	30.710	27.595
European Union, Euro	1.079	1.054	1.144

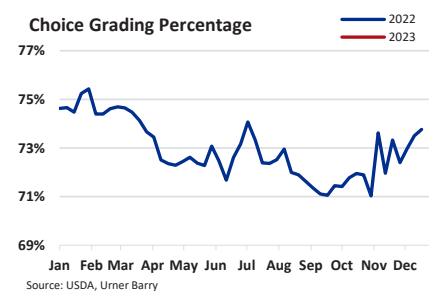
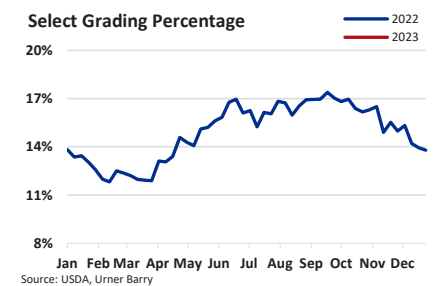
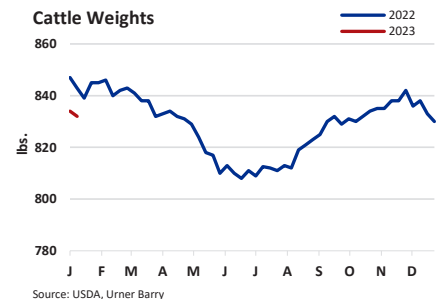
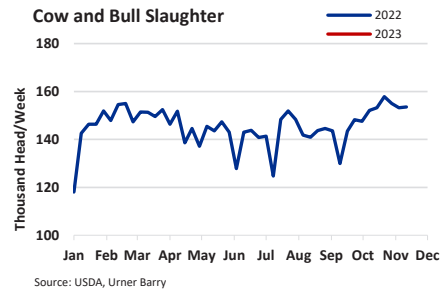
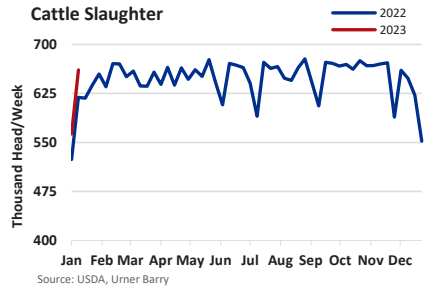
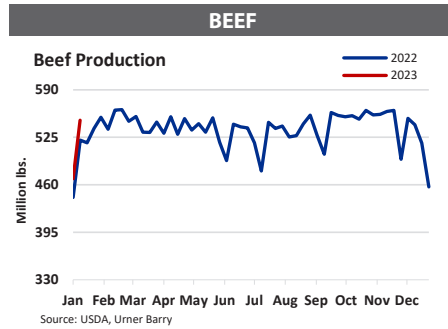
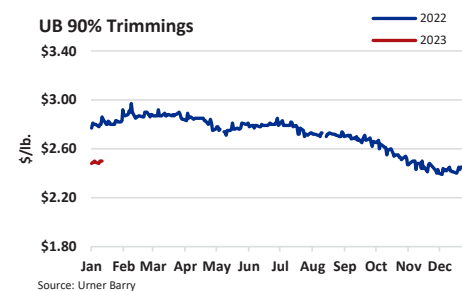
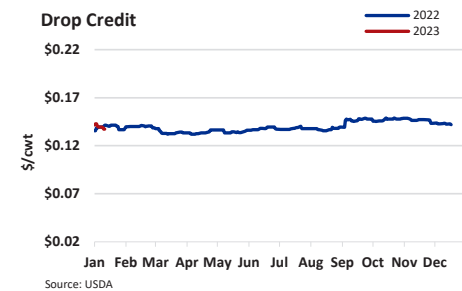
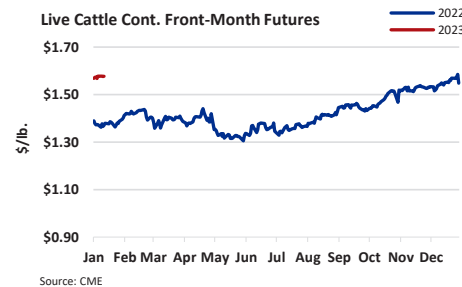
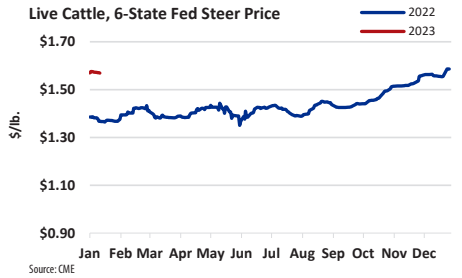
COLD STORAGE STOCKS

(Pounds in Thousands)	11/30/21	10/31/22	11/30/22
Beef in Freezer, Bnls	451,639	460,409	477,176
Cuts	38,775	49,863	44,693
<b>Total Beef</b>	<b>490,414</b>	<b>510,272</b>	<b>521,869</b>
<b>PORK &amp; OTHER</b>	<b>11/30/21</b>	<b>10/31/22</b>	<b>11/30/22</b>
Pork in Freezer, Picnics	6,080	6,847	5,005
Hams	76,788	121,624	55,111
Bellies	25,224	40,247	54,359
Loins	38,522	39,389	39,957
Spareribs	75,597	110,053	112,109
Butts	17,113	20,522	21,839
Trimmings	48,979	38,417	44,916
Other Pork in Freezer	50,533	54,943	50,944
<b>Total</b>	<b>402,189</b>	<b>509,669</b>	<b>454,200</b>
Veal in Freezer	4,283	2,585	2,217
Lamb & Mutton in Freezer	23,487	28,652	29,684
<b>Total</b>	<b>27,770</b>	<b>31,237</b>	<b>31,901</b>

Data Updated: December 22, 2022

URNER BARRY'S WEEKLY RED MEAT INSIDER'S REPORT is available on FoodMarket.com and through UrnerBarry's flagship service Comtell Online. FoodMarket is available for \$37.00 a month.

UB BEEF CUTOUT Jan-13 v. Jan-06				
	CHOICE	SELECT	NO-ROLL	CAB
Rib	-4.05%	-0.89%	0.05%	-7.52%
Chuck	-1.70%	0.89%	1.60%	-1.74%
Round	-0.05%	-0.23%	-0.04%	-0.16%
Loin	0.36%	5.39%	1.43%	2.28%
Brisket	-3.05%	-3.05%	0.01%	-1.18%
Plate	5.32%	5.32%	5.32%	1.62%
Flank	-0.45%	-0.46%	-0.49%	-0.37%
<b>Total</b>	<b>-1.06%</b>	<b>1.60%</b>	<b>1.07%</b>	<b>-1.38%</b>



**BEEF COMMENTARY**

Closing out our second week of the new year, market sentiment was to the softer side as fill-in business appeared to be a bit lighter when compared to the week prior. A cautious approach continued to dominate both sides of the business as participants remain wary about the demand picture. Buying patterns predominantly were hand-to-mouth throughout the week. Any sizeable orders were seen passed as the spread between bids and asks were extensive in some instances. For now, it seems the market is looking for direction but lacks a driver, leaving little confidence in market participants.

**LIVE CATTLE:** Prices in Nebraska this week were steady to \$2.00/cwt lower from \$250.00 - \$252.00/cwt dressed (full range \$248.00 - \$252.75/cwt). Not enough live purchases in NE for a market test. In Iowa, live purchases were \$1.00/cwt lower from \$157.00 - \$159.00/cwt (full range \$155.00 - \$160.00/cwt). Not enough purchases in South for a full market test, but prices were generally \$1.00/cwt lower at \$156.00/cwt (full range \$155.00 - \$156.00/cwt)

**SLAUGHTER & BEEF PRODUCTION:** The weekly federally inspected slaughter was 661,000 head. Live weights ended the week down three pounds to 1384 pounds. Dressed weights were down two pounds to 832 pounds.

**RIBS:** Ribs moved lower on the week as seasonal weakness has taken hold, albeit later than normal. Buyers dug their heels in throughout the week and sellers had to entice with discounts. Although not much of a surprise given current values sit at all-time highs for the month of January. Buyer appetite has shifted away from these items and towards its cheaper counterpart, the loin.

**CHUCKS:** The chuck complex was uneventful this week. Buyers and sellers were generally in agreement throughout most of the week. Clods towards the end of the week began to come under a slight pressure, giving back most of last week's gain.

**ROUNDS:** Rounds were planted within our established ranges this week. As mentioned in the chuck commentary - buyers and sellers were in general balance for the most part. With production hours ramping back up, sellers did not have the confidence to raise asks as we saw in the weeks prior.

**LOINS:** Loins saw the majority of price increases this week as this area has become a relief valve for the rib. Participants are looking to this area to offer value and comparable quality to its rib counterpart. Some have even mentioned Valentine's Day inquiries were beginning to surface.

**GROUND BEEF:** Grinds moved higher across the board this week. The majority of price risk is believed to be to the upside according to participants. And with that, sellers had leverage to steadily increase asks throughout the week. Demand is seen firm around these items as consumers begin to make more value driven decisions at the retail counter following holiday spending.

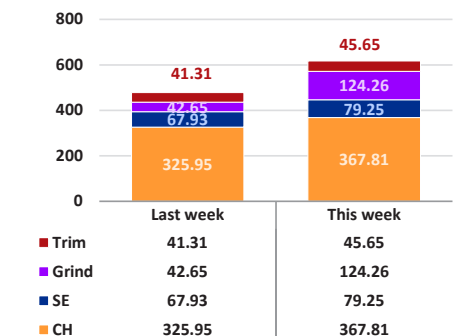
**BONELESS BEEF:** Trade throughout the week can be characterized as fair at best but with some areas showing somewhat improving buying patterns. As slaughter levels normalized after the holiday weeks, supply and demand were in general balance. Prices on both fresh 90s and fresh 50s were steady to fully steady.

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

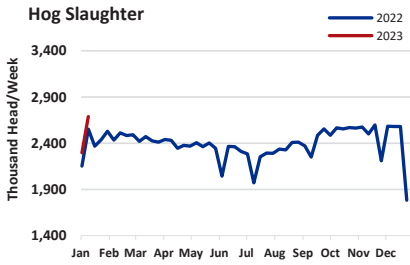
	M	T	W	TH	F
TW	34.73	33.83	29.90	28.12	25.85
*LW	-	33.23	34.07	32.49	32.64

\*Last Week's numbers are rounded

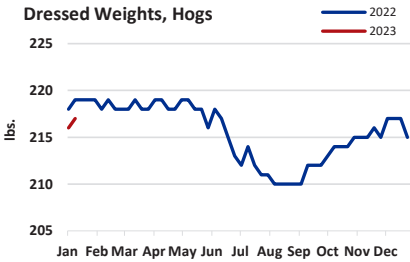
**Weekly Beef Breakdown (# of loads)** Source: USDA, Urner Barry  
1 load = 40,000 lbs.



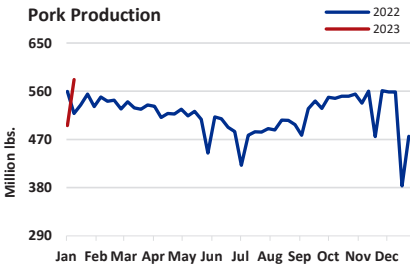
**PORK PRODUCTION**



Source: USDA, Urner Barry



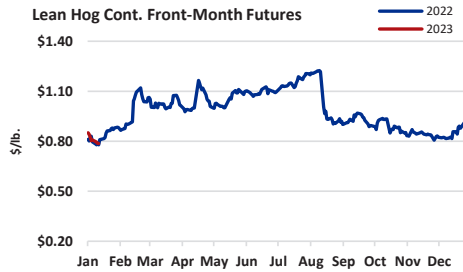
Source: USDA, Urner Barry



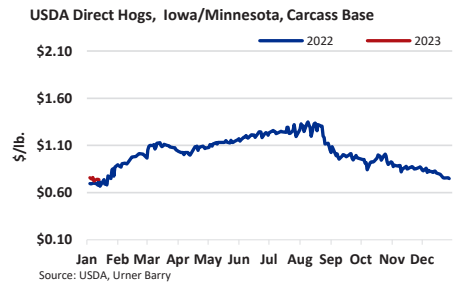
Source: USDA, Urner Barry

**LIVE HOGS & CUTOUT**

PORK CUTOUT	Jan-06	Jan-13	Change
Loin	85.660	83.690	-1.970
Butt	102.660	92.300	-10.360
Picnic	82.000	68.880	-13.120
Sparerib	124.370	127.510	3.140
Ham	81.070	76.910	-4.160
Belly	97.440	96.470	-0.970
<b>Cutout Value</b>	<b>86.031</b>	<b>82.016</b>	<b>-4.015</b>



Source: CME



Source: USDA, Urner Barry

**PORK COMMENTARY**

This week in pork, an increase in hog slaughter following recent disruptions, varying degrees of export demand, and heavier hogs all influenced pork trade. Urner Barry's pork carcass cutout decreased by 4.67 percent during the week. Estimates of margins for outside purchasers of hogs on Friday were \$9.18/head while margins for vertically integrated packers were estimated at - \$32.08/head.

**PORK PRODUCTION:** Pork production for the week ending 01/14/2022 was estimated to be 581.8 million pounds. This was 17.3 percent more than last week and a 12.2 percent decrease from a year ago. Live hog weights averaged 291 pounds for the week, which was even with last week and three pounds below the same period a year ago.

**GREEN MEATS:** In the ham category, bone-in hams were weaker amid fair to dull further processor and export demand. Boneless hams were barely steady on modest at best export demand. In the belly category, an unsettled call was noted for light and heavy product due to excess supplies amid the recent elevated slaughter figures. In trim, 42s and 15s were weaker, while 72s and boneless cushion meat were steady to full steady.

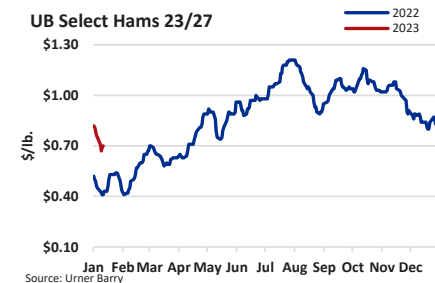
**HAMS:** Bone-in ham values were \$7.00/cwt to \$7.50/cwt weaker, while boneless cuts were \$1.50/cwt to \$2.00/cwt weaker.

**BELLIES:** Skinless bellies were \$2.00/cwt to \$6.50/cwt weaker.

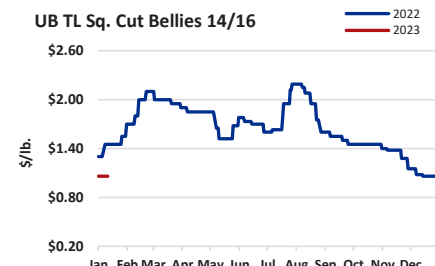
**TRIMMINGS:** 42s were \$7.00/cwt weaker while 72s decreased by \$0.50/cwt. Meanwhile, boneless picnics were \$6.00/cwt weaker.

**RETAIL:** ¼ inch bone-in loins were \$1.50/cwt weaker while 1/8-inch cuts decreased \$3.00/cwt. Boneless strap-ons increased \$4.00/cwt while strap-offs decreased \$5.50/cwt. Bone-in sirloins were \$5.50/cwt weaker while boneless sirloins were \$12.50/cwt lower. Tenderloins were \$5.00/cwt lower on average. 1/4" bone-in butts declined \$15.00/cwt while boneless butts lost \$6.50/cwt. Light spareribs were generally unchanged while medium spareribs were up \$6.50/cwt.

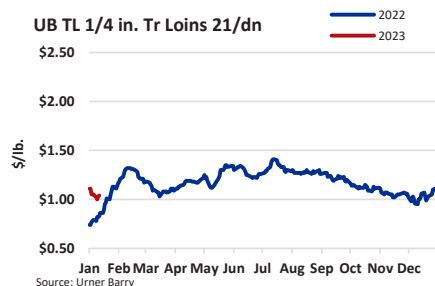
**PORK PROCESSING ITEMS & RETAIL CUTS**



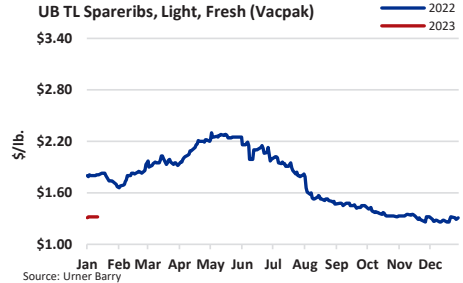
Source: Urner Barry



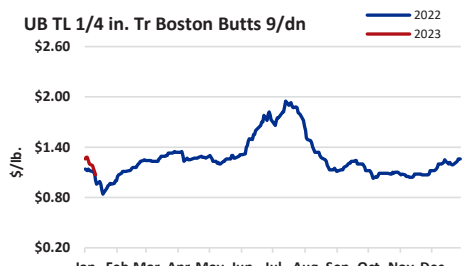
Source: Urner Barry



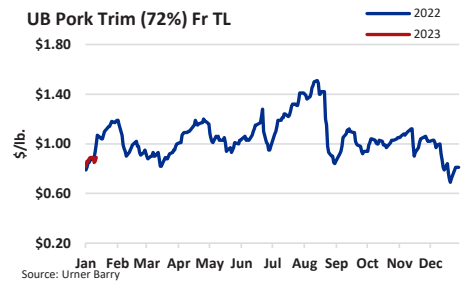
Source: Urner Barry



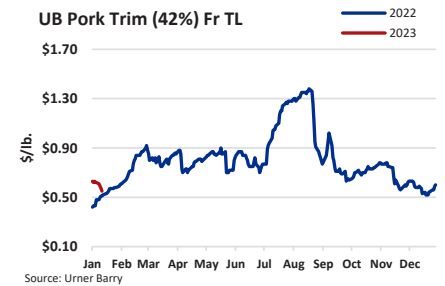
Source: Urner Barry



Source: Urner Barry

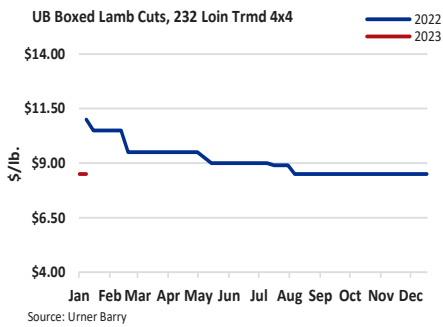
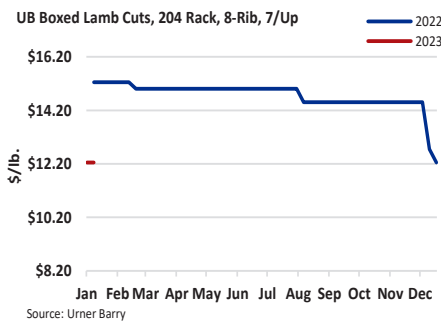
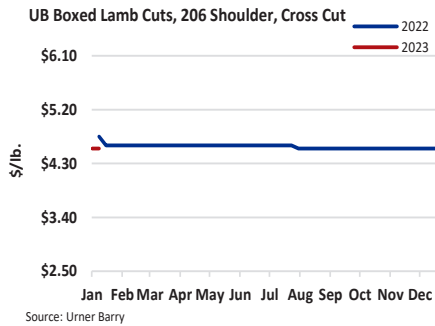
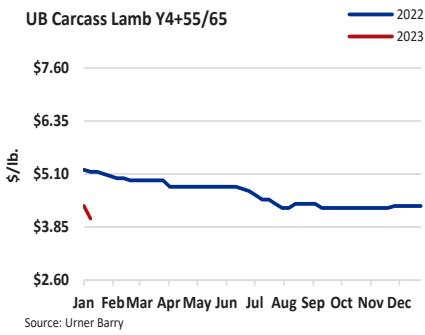


Source: Urner Barry



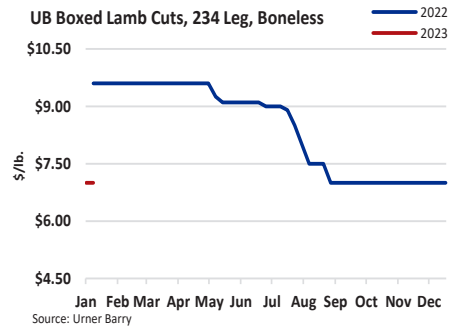
Source: Urner Barry

LAMB

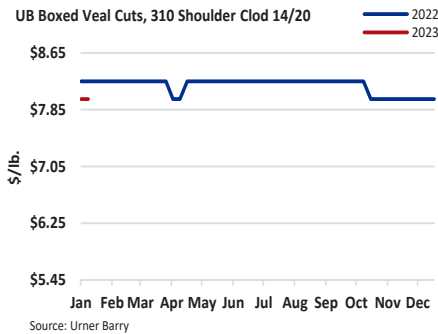
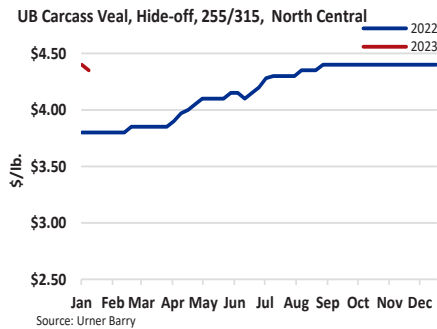


LAMB COMMENTARY

In the domestic lamb market this week, carcasses remained weak. Following the holiday, demand has declined, which is not unexpected on a year-to-year basis, and this has resulted in prices moving downward. Boxed cuts were largely steady, although a majority of trade occurred to the lower side of Urner Barry's price ranges. In the most recent weekly Estimated Meat Under Federal Inspection Report 26,000 head were reported slaughtered, which was even with last week and 7,000 under the same week a year ago. For weights, the figure came in at 126 pounds, which was 2 pounds under last week and 8 pounds under a year ago.

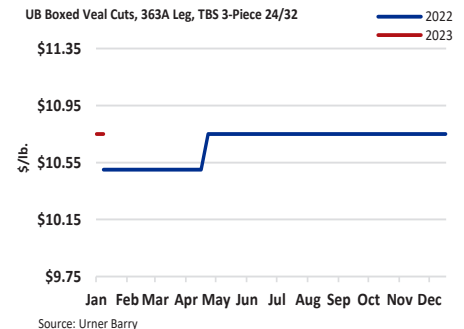
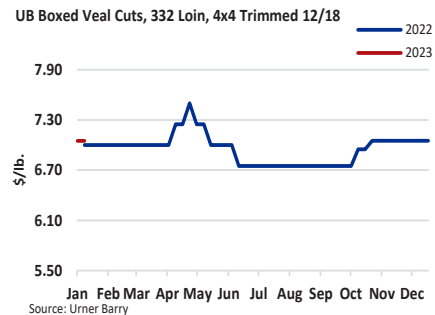
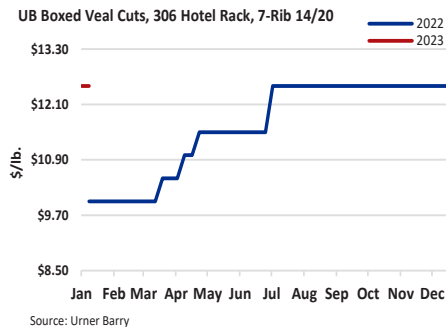


VEAL

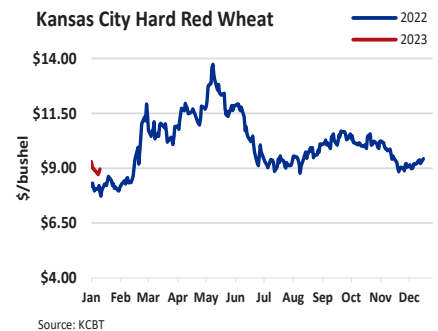
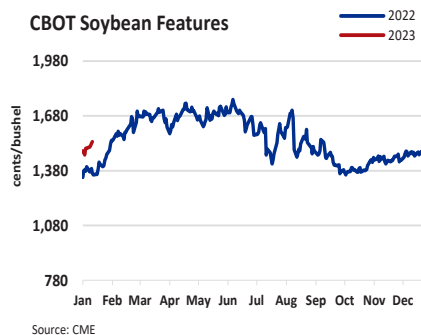
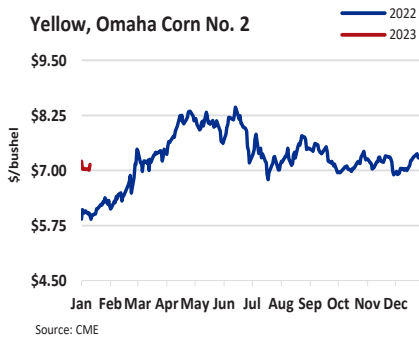


VEAL COMMENTARY

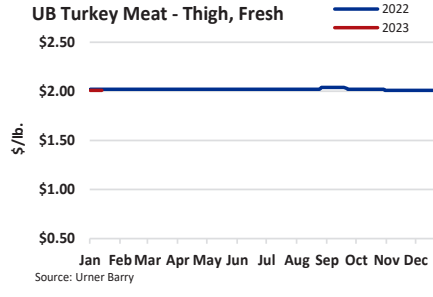
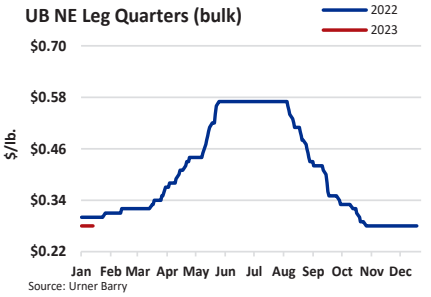
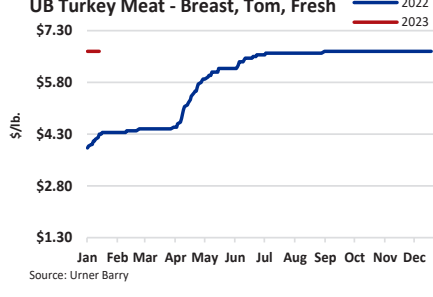
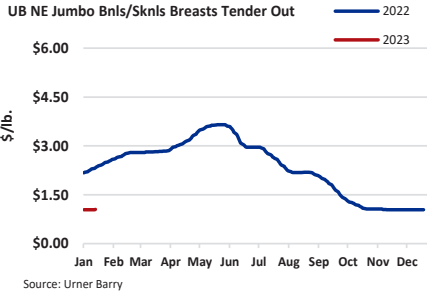
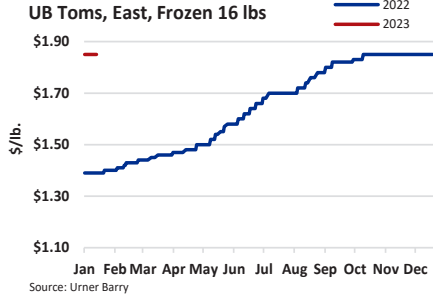
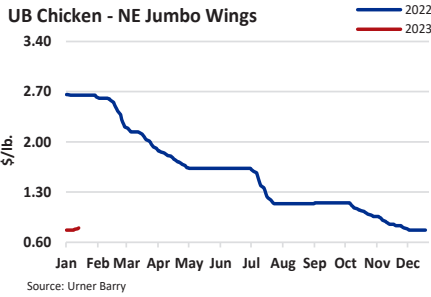
In the veal market this week, we saw much of the same from last week: minimal changes to boxed cuts and decreasing carcass prices. With demand continuously declining following the holiday season, which is not unexpected, raw carcasses have trended downward. Racks and breast items remained at elevated levels on Urner Barry's price sheet, while shoulders and tenderloins were at 52-week lows. In the most recent weekly USDA Special Fed Veal Slaughter report, the slaughter figure came in at 2,133 head, which was slightly above last week while weights were at 284.4 pounds on average, which was 1.5 pounds below last week.



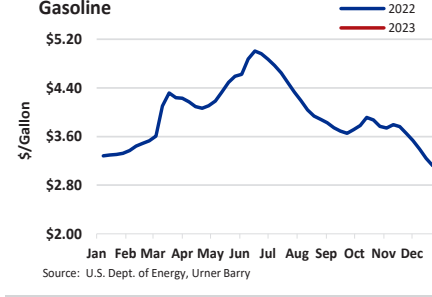
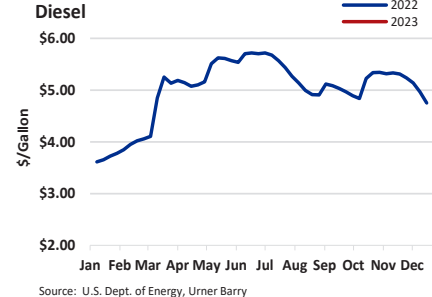
FEEDS: CORN, SOY BEAN, RED WHEAT



**POULTRY**



**ENERGY**



**ANNOUNCEMENT**

**Urner Barry Price Reporting Receives Independent Assurance of IOSCO Compliance Achieving the Gold Standard for Price Reporting**

For over 160 years, Urner Barry has been the trusted source for benchmark pricing in the food and agriculture industry. Now, the company has successfully completed an independent review of its price reporting methodology and control procedures, confirming Urner Barry's processes are aligned with the International Organization of Securities Commissions (IOSCO) Principles for Price Reporting Agencies (PRAs).

The Type 1 assurance report, issued by auditor BDO, examined eight benchmark price indices.

*"Our clients require the highest quality information to effectively conduct their business and navigate the supply chain," said Urner Barry CEO, Joe Muldowney. "This independent assurance review reflects the pledge we undertake to provide them with robust, independent, and accurate market coverage."*

Read more about the latest quality assurance [HERE](#)

**Contributors:**

- Joe Muldowney - joemo@urnerbarry.com
- Russ Whitman - rwhitman@urnerbarry.com
- Russ Barton - rbarton@urnerbarry.com
- Gary Morrison - gmorrison@urnerbarry.com
- Bill Smith - bsmith@urnerbarry.com
- Matt Busardo - mbusardo@urnerbarry.com
- Dylan Hughes - dhughes@urnerbarry.com
- Ryan Hojnowski - rhojnowski@urnerbarry.com
- Todd Unger - tunger@urnerbarry.com

**POULTRY COMMENTARY**

Whole chickens set out in steady overall position. Small-sized WOGs are maintained, while buyers of heavier-sized WOGs uncover their needs with ease. Trade sentiment surrounding boneless breasts is becoming increasingly optimistic. Although demand remains highly segmented, particularly in the retail arena, overall buyer interest and sales are moving into premium territory. A similar scenario carries into tenders. Wings follow in a similar wake and are held with confidence at full market or higher levels. This is especially true for jumbo and medium sizes. The bone-in back half remains uneventful overall. Thigh meat is said to be slowly improving as retail demand shows more gumption.

Frozen whole-body toms and hens are tight overall. Movement is subdued, as you would expect this time of the year. Fresh turkeys are found without trouble as buyer interest

lacks seasonal punch. The same can be said for consumer-sized breasts. Ask prices continue to hover at slightly lower figures. As for parts, drums are mixed, but buyer willingness to pay full market or slightly higher price points continues to cross our path. Supplies range from fully adequate to tight. Wings, necks, tails, and gizzards are largely available for a wide range of generally lower figures, but transacted volumes are on the light end. As for raw materials, new and different input is somewhat muted. Frozen breast meat offerings are uncovered at biddable figures, while fresh is mostly maintained. MST demand remains stout, with very few fresh offerings available on the street.

This report is offered to you conditioned on your acceptance without modification of the terms, conditions, and notices contained herein. Please read the End-User License Agreement (the "Agreement), a copy of which is available at www.urnerbarry.com before utilizing this Urner Barry product. Your use of a particular UB Product(s) may also be subject to additional terms set forth in the Agreement. Your use of the UB Product(s) constitutes your acceptance of all of the terms, conditions, and notices set forth in the Agreement. Urner Barry reserves the right to amend, remove, or add to these terms, conditions and notices at any time without notice. Accordingly please continue to review the Agreement whenever accessing or using the UB Product(s). If at any time you do not accept the Agreement along with the terms and conditions outlined in the Services and Products Order Form, you may not use this or any UB Product. Commodity Indices, Cattle Fax, Daily Beef Quotations, Daily Pork Quotations, Daily Lamb & Veal Quotations, Daily Poultry Quotations, Beef and Pork Futures, USDA Direct Hogs, are quoted in \$/lb; USDA Slaughter is quoted as Head in Thousands; USDA Production is quoted as Pounds in Millions; USDA Weights are quoted in Pounds; USDA Drop credit is quoted in \$/cwt live; Feeds are quoted in \$/Bushel; Gasoline & Diesel are quoted in Cents/Gallon.