

Friday, January 19, 2024

Number 03- Volume 17

## WEEKLY COMMODITY AT A GLANCE

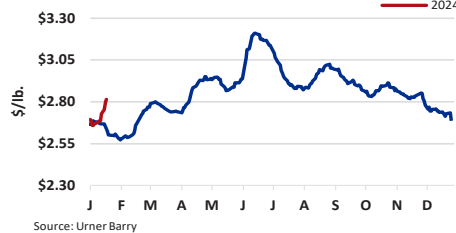
	This Week	Last Week	Last Year
Omaha, US No 2 Yellow Corn	4.61	4.57	7.16
CBOT Soybean	1,213.25	1,205.75	1,506.50
NYMEX Light Crude Oil	73.41	72.68	81.31
Loose Lard, Chicago Basis	0.55	0.55	0.90
Edible Tallow, Chicago Basis	0.55	0.55	0.733
Beef Trimnings, 90% Fresh	294.50	274.00	250.00
Beef Trimnings, 50% Fresh	99.00	80.00	115.00
Aust/NZ Blend Cow 90% EC Spot	247.00	242.00	235.00
USDA Drop Credit	0.117	0.117	0.137
112A 3 Ribeye Roll, Lip-On CH	993.00	1,125.00	1,050.00
116A 3 Chuck Roll, Neck-Off CH	450.00	410.00	365.00
168 3 Round, Top (Inside) CH	315.00	285.00	279.00
180 3 Strip Loin, Bnls, 0x1 CH	745.00	745.00	775.00
136 Coarse Ground 81%	285.00	240.00	250.00
189A 4 Loin, Tenderloin, PSMO CH	1,458.00	1,500.00	1,575.00
Cattle-Fax, 6-State Fed Steer Price	0.00	173.93	157.18
Select Hams 20/23	79.00	80.00	74.00
Sq Cut Bellies 14/16	121.00	110.00	100.00
1/4 Trmd. Loins 21/dn	107.00	100.00	108.00
1/4 Tr Boston Butts 9/dn	114.00	110.00	97.00
Spareribs, Light, Fresh	140.00	136.00	133.00
Fresh Pork Trim (42%)	46.00	46.00	62.00
Fresh Pork Trim (72%)	83.00	80.00	84.00
Carcass Lamb Y4++55/65	4.36	4.36	0.00
Lamb Cuts, 204 Rack, 8-Rib, 7/Up	11.50	11.50	12.20
Lamb Cuts, 206 Shoulder, Cross Cut	3.95	3.95	4.25
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	7.50	7.50	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

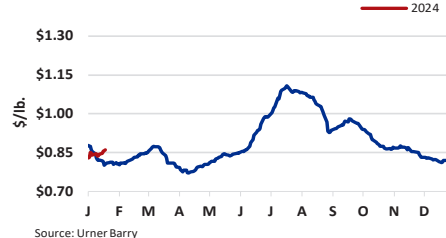
## RIEMANN CONTRACT SETTLEMENTS

	1/19	1/12	1/5
Weekly Imported Aust/NZ Blend Cow 90% EC 7:45	2.43	2.40	2.40
Weekly Weighted Average Blended Boxed Beef Cutout Index	293.06	279.75	274.74

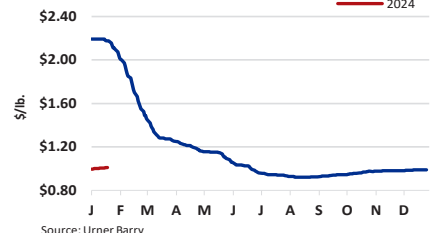
## UB Beef Index



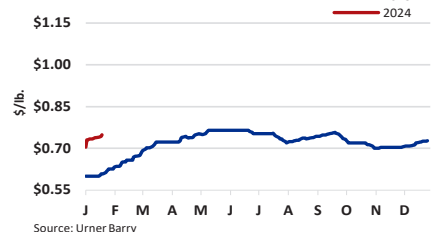
## UB Pork Cutout



## UB Turkey Index



## UB Chicken Index



## EST. DAILY CATTLE SLAUGHTER

	M	T	W	TH	F	S	Total
TW	112	111	118	121	121	34	617
LW	104	84	116	120	105	17	546
*LY	124	129	122	119	124	29	647

## EST. DAILY HOG SLAUGHTER

TW	378	454	489	484	482	365	2,652
LW	468	374	477	479	324	52	2,174
*LY	421	490	482	435	487	226	2,541

## EST. DAILY SHEEP SLAUGHTER

TW	4	7	8	9	5	0	33
LW	10	7	7	8	3	0	35
*LY	5	9	6	6	5	0	32

## EST. DAILY CALVES SLAUGHTER

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 &amp; BULL SLAUGHTER

	F	S	M	T	W	TH	
LW	1/5	1/6	1/8	1/9	1/10	1/11	Total
	27	7	25	26	27	28	140
TW	1/12	1/13	1/15	1/16	1/17	1/18	Total
	26	4	23	24	23	26	126
*LY	29	11	27	29	30	27	153

\*Last Year's numbers are rounded

## FOREIGN EXCHANGE RATES

	This Week	Last Week	Last Year
Australia, Dollar	0.656	0.670	0.691
Mexico, Peso	17.191	16.970	18.950
Canada, Dollar	1.350	1.338	1.348
Japan, Yen	148.023	145.552	130.516
China, Yuan (RMB)	7.123	7.109	6.782
Brazil, Real	4.935	4.885	5.225
South Korea, Won	1,339.89	1,316.14	1,236.50
Taiwan, Dollar	31.554	31.069	30.389
European Union, Euro	1.088	1.097	1.081

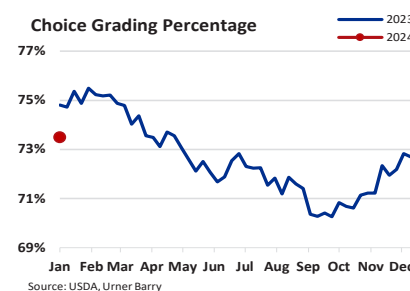
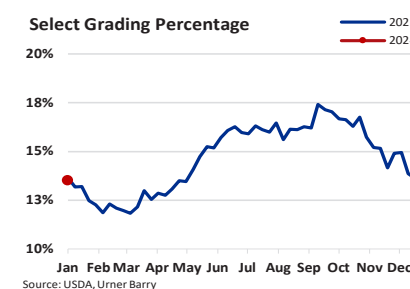
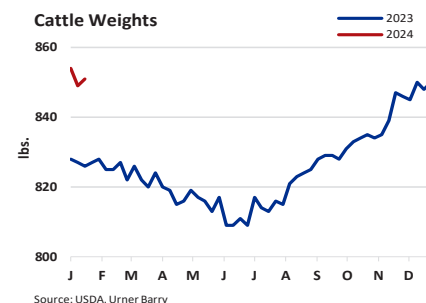
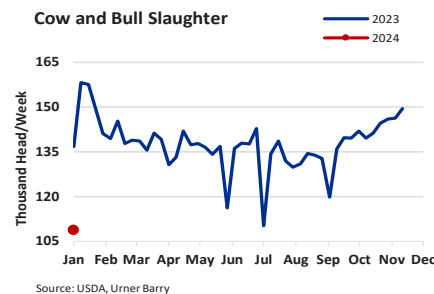
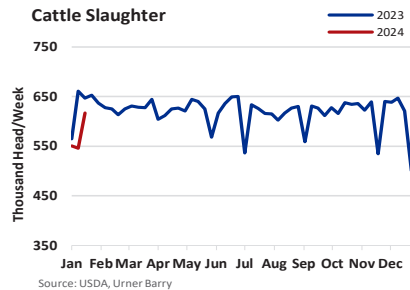
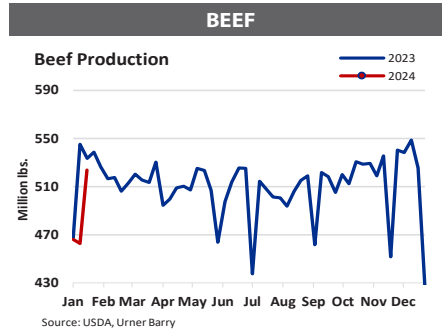
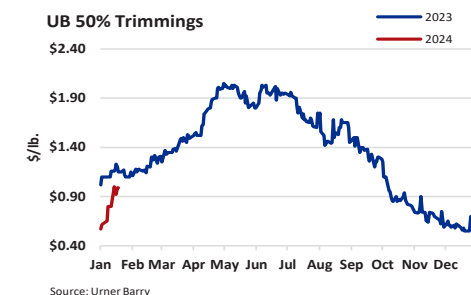
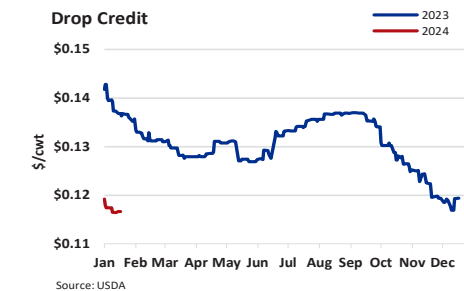
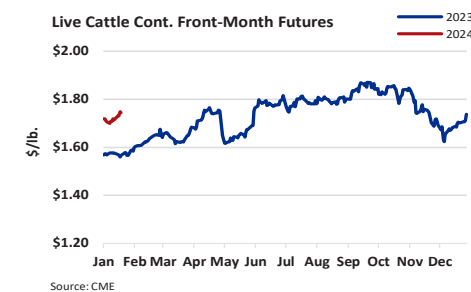
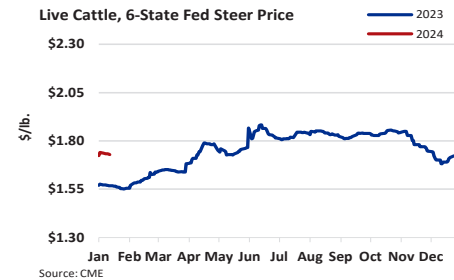
## COLD STORAGE STOCKS

(Pounds in Thousands)	11/30/23	10/31/23	11/30/22
Beef in Freezer, Bnls	414,554	404,089	478,655
Beef Cuts	40,108	41,579	44,594
<b>Total Beef</b>	<b>454,662</b>	<b>445,668</b>	<b>523,249</b>
<b>PORK &amp; OTHER</b>	<b>11/30/23</b>	<b>10/31/23</b>	<b>11/30/22</b>
Pork in Freezer, Picnics	7,253	6,725	4,854
Hams	58,251	113,570	55,284
Bellies	46,976	28,061	54,429
Loins	40,516	39,335	39,379
Spareribs	76,667	70,095	111,143
Butts	19,073	19,526	22,273
Trimnings	44,724	37,795	44,744
Other Pork in Freezer	51,500	51,962	50,764
Total	416,094	437,901	451,598
Veal in Freezer	900	942	2,190
Lamb & Mutton in Freezer	22,431	26,127	29,674
<b>Total</b>	<b>23,331</b>	<b>27,069</b>	<b>31,864</b>

Data Updated: December 22, 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 \$42.00 a month.

UB BEEF CUTOUT Jan-19 v. Jan-12				
	CHOICE	SELECT	NO-ROLL	CAB
Rib	-4.65%	1.14%	8.16%	-10.93%
Chuck	6.30%	8.07%	11.16%	2.37%
Round	13.96%	16.14%	11.43%	3.40%
Loin	0.22%	7.27%	2.72%	-1.12%
Brisket	-0.54%	9.56%	0.82%	4.95%
Plate	8.25%	8.25%	8.25%	8.89%
Flank	6.18%	4.05%	4.06%	3.91%
Total	3.50%	8.04%	7.71%	-0.92%



## BEEF COMMENTARY

The boxed beef market continued its upward trajectory as supplies were scarce throughout the week and sellers took advantage of the short term leverage. Winter storms continued to plague the industry and created trucking issues, production slowdowns, and labor shortages. All segments of the market were fairly active on the week as buyers looked to fill inventories, but this was a tall task as prices were deemed unfavorable towards the latter half of the week. The industry will see if sellers can keep momentum on their side once full production schedules resume.

**LIVE CATTLE:** There was light cattle trade on the week as packers assessed reduced needs and transportation was a problem in the storm once again. Live trade was generally \$175.00/cwt and dressed between \$273.00/cwt and \$275.00/cwt; both steady with the week prior. The USDA's latest Cattle On-Feed reported feedyards with capacity of 1,000 head or more at 2% above year-ago levels and generally in-line with analysts pre-report estimates. Data was viewed as mostly neutral for deferred futures contracts.

**SLAUGHTER & BEEF PRODUCTION:** The weekly federally inspected slaughter for the week was 617,000 head, compared to 546,000 in the week prior. Dressed weights moved two pounds higher to 851 pounds. Live cattle weights also moved two pounds higher to 1408 pounds.

**RIBS:** The short production was thought to have stopped the aggressive moves lower in the week prior, but this week showcased the opposite. Sellers found themselves without positions and long on product in the spot market, requiring further discounting as the week wore on. Both boneless and bone in choice ribs showcased this the greatest. Select and no-roll product was met with fully steady tones as supplies were limited, closing the week out on a steady foot.

**CHUCKS:** Short supplies and active buyer needs gave broad-based upward momentum within the chuck this week. While chuck rolls were the notable item to move higher as demand significantly ramped up for this item, shoulder clods and chuck tenders also saw modest moves higher. With another slate of winter storms moving across the United States, retailers and distribution were seen with the most needs throughout the week.

**ROUNDS:** The round complex largely carried the beef complex this week as roasting items were the focus for market participants. With various segments of the market competing for product, this produced significant upward momentum across the complex. While insides, eyes and peeled knuckles all saw an increase in value, outside rounds saw the most robust levels of demand and prices reflected this.

**LOINS:** Price movement within the loin was fairly muted on the week with neither side seemingly pushing the needle in either direction. Choice product was generally steady on the week with short loins being the exception. Trading ranges compressed a bit, not necessarily showcasing a change in direction. Select and no-roll product had more of a focus as buyers looked for cheaper alternatives, ultimately pushing prices higher behind a short supply picture.

**GROUND BEEF:** As we entered into the fourth week of lower than expected production, coarse grinds found renewed levels of demand. Panic seemed to set in on the byside as supplies were not readily available as the market has become accustomed to. This brought all blends of coarse grinds higher as the week went on. 81% coarse grinds saw the largest moves higher.

**BONELESS BEEF:** The theme for the week was mounting order cancellations due to extremely tightened supply, a direct result of Mother Nature's ability to wreak havoc across much of the country with wind and snow. As industry participants anticipated, both the 50s and 90s market held a firm undertone throughout the week as packers were able to achieve up money in many instances. The imported boneless beef market followed suit with higher pricing, with most action coming from the AU/NZ and Brazilian markets. Despite quotations moving higher, the AU/NZ Blend Cow 90% stands at \$2.47, compared to the weekly weighted average for fresh 90s domestic market at \$2.70, creating a spread of over \$0.20 and facilitating relatively straightforward formulations for further processors. Additionally, discussions revolved around the notable pace of Brazilian lean entering the U.S., surpassing historical norms. The "Other" quota appears nearly 49% filled, and this observation comes well before we close out the first month of the year.

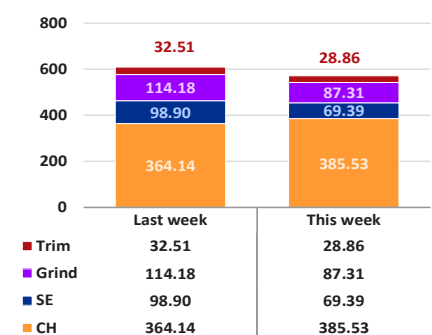
## UB BEEF CUTOUT-CH/SE SPREAD (\$/cwt)

	M	T	W	TH	F
TW	18.21	15.39	15.93	16.22	14.49
*LW	24.26	24.71	24.70	24.90	24.90

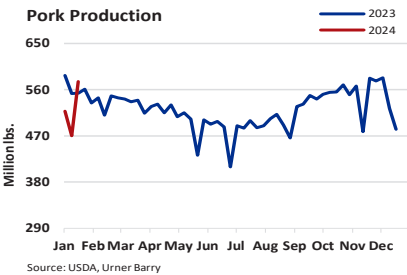
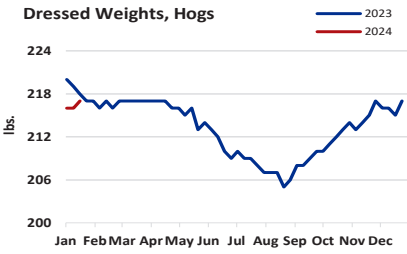
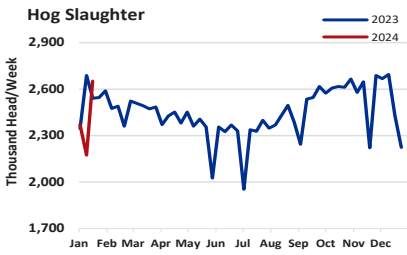
\*Last Week's numbers are rounded

Weekly Beef Breakdown  
(# of loads)

Source: USDA, Urner Barry  
1 load = 40,000 lbs.

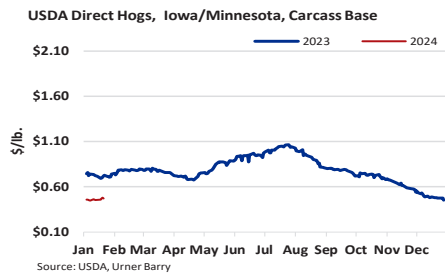
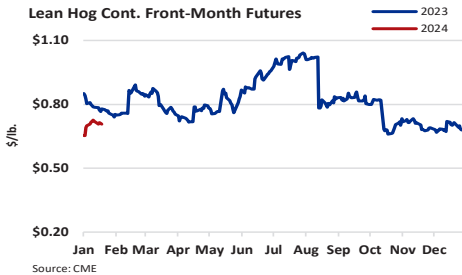


PORK PRODUCTION

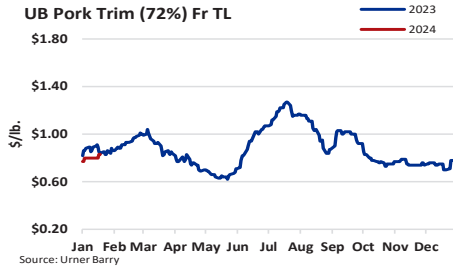
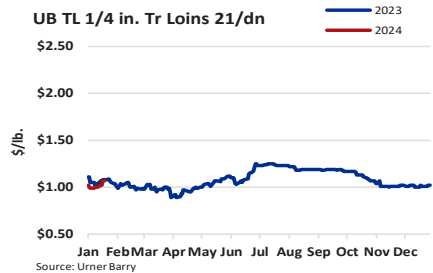
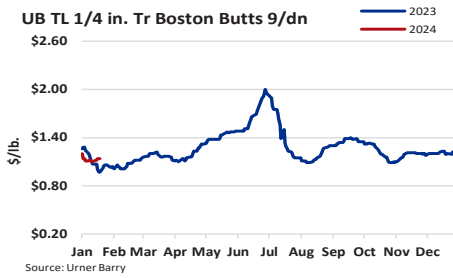
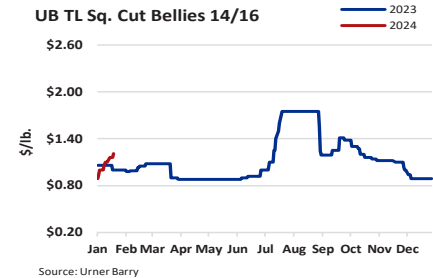
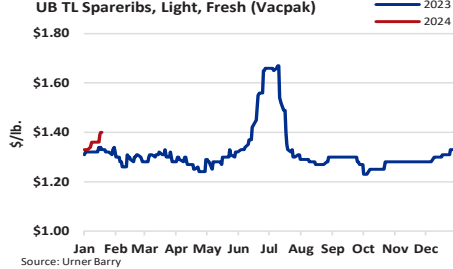
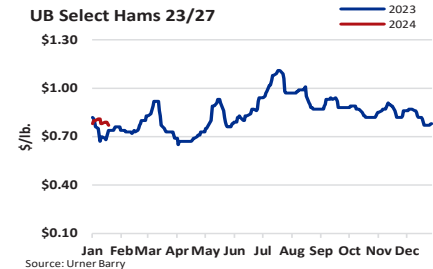


LIVE HOGS & CUTOUT

PORK CUTOUT	Jan-12	Jan-19	Change
Loin	82.110	84.050	1.940
Butt	95.340	97.680	2.340
Picnic	73.200	69.730	-3.470
Sparerib	126.940	131.610	4.670
Ham	74.430	74.920	0.490
Belly	106.310	115.570	9.260
Cutout Value	83.695	86.072	2.377



PORK PROCESSING ITEMS & RETAIL CUTS



PORK COMMENTARY

In the pork market this week, winter weather across the US, limited fresh pork availability, and trucking disruptions impacted pork trade. Urner Barry's pork carcass cutout increased by 2.84 percent during the week. Estimates of margins for outside purchasers of hogs for Friday were \$81.98/head, while margins for vertically integrated packers were estimated at -\$5.35/head.

**PORK PRODUCTION:** Pork production for the week ending 1/20/2024 was estimated to be 575.8 million pounds. This would be 22.4 percent higher than last week and 4.2 percent higher than the same week a year ago. Live hog weights averaged 292 pounds for the week, which was 1 pound heavier compared to last week, and equal with this same week a year ago.

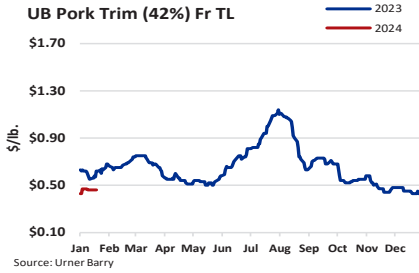
**GREEN MEATS:** In the green meat complex, bone-in hams were slightly softer, as sellers encountered issues getting product into Mexico due to trucking disruptions from the weather and were more willing to sell to cheaper domestic buyers. On the boneless ham side, a mostly steady tone was present, with a slight uptick in demand noted at the retail level. In the belly category, a full steady tone persisted, as fresh product saw tight availability and active interest to the freezer. In trim, 42s were steady, while 72s and boneless picnics were mostly steady on barely adequate availability. Top of Form

**HAMS:** Bone-in hams were \$0.50/cwt to \$1.00/cwt weaker, while boneless cuts were \$2.00/cwt firmer.

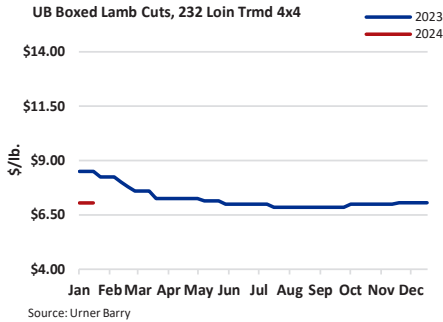
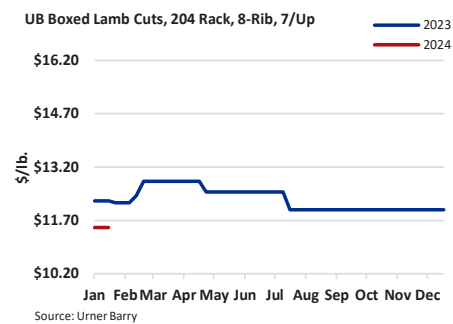
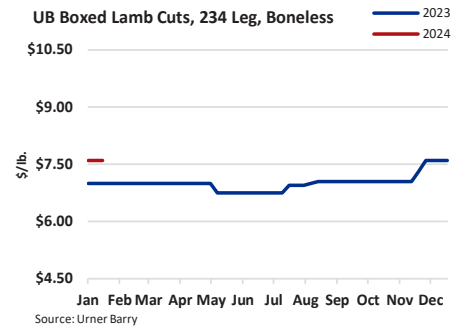
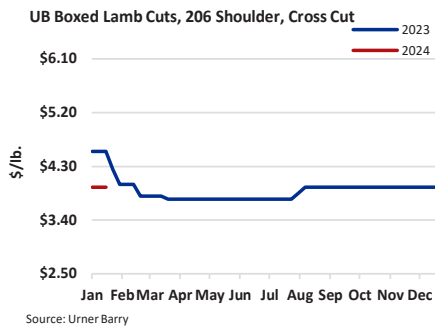
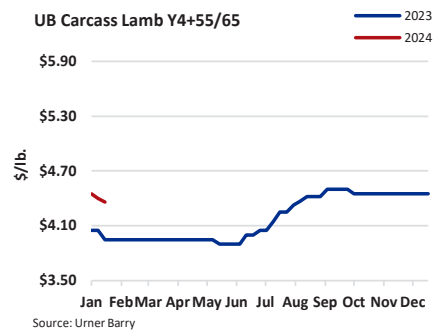
**BELLIES:** Heavy skinless bellies were \$10.50/cwt firmer, while light bellies were \$11.50/cwt stronger.

**TRIMMINGS:** 42s were steady, 72s were \$2.50/cwt, while boneless picnics were \$4.50/cwt firmer.

**RETAIL:** 1/4" bone-in loins were \$7.00/cwt firmer, while 1/8" bone-in loins were also \$7.00/cwt firmer. Boneless strap-ons were \$2.50/cwt firmer, while strap-offs were \$3.00/cwt firmer. Bone-in sirloins were sideways, while boneless sirloins were \$3.50/cwt weaker. Tenderloins were \$5.00/cwt firmer. 1/4" bone-in butts were \$3.50/cwt firmer, while boneless butts were \$2.00/cwt firmer. Light spareribs were \$4.00/cwt firmer, while medium spareribs were \$5.00/cwt firmer.



## LAMB

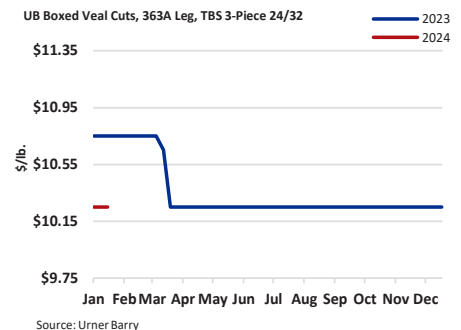
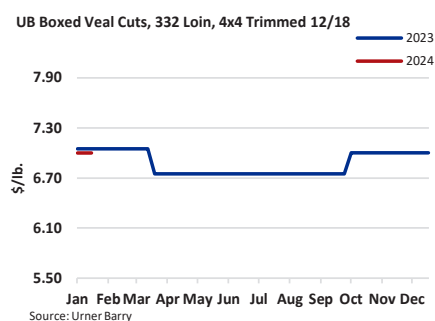
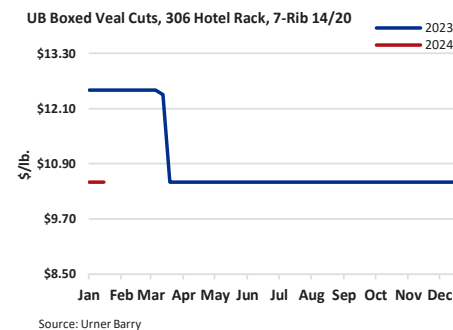
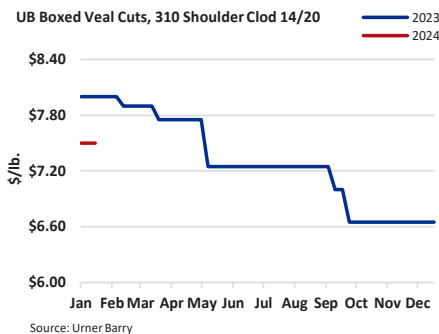
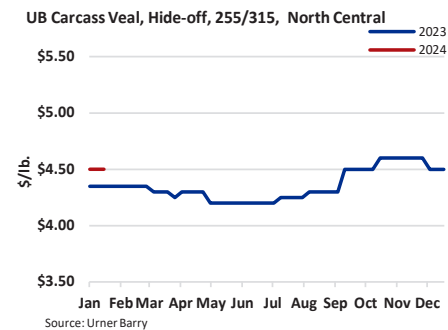


## LAMB &amp; VEAL COMMENTARY

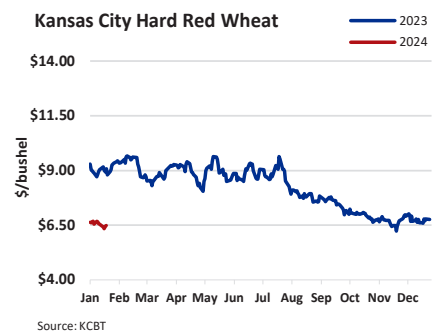
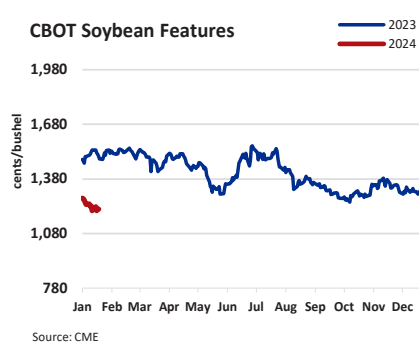
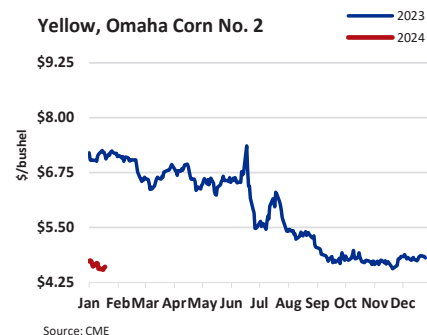
In the veal market this week, trading activity was somewhat constrained, with both carcasses and boxed cuts maintaining a mostly steady pace, closely aligning with the previous week's quotes. Market participants were closely monitoring the market, expecting that in the late winter and early spring period, there might be a potential rise in production costs. The latest USDA Carlot Veal Carcass report reveals that the fed veal slaughter for the week ending January 13, 2024, reached a total of 1,933 head, marking a modest increase of 2.1% from the week before. Meanwhile, weights experienced a slight decline, decreasing by 4.4 pounds compared to the previous week.

This week in the domestic lamb market, all cuts traded sideways, while carcasses experienced softer prices. Heavier carcasses were subjected to larger discounts this week, as market participants showed a preference for purchasing lighter carcasses due to their better yield percentage. The most recent USDA report (5-Day Rolling Average Boxed Lamb Cuts - Negotiated Sales) indicated that the traded volume of fresh product reached 402,888 pounds, marking an 11.7% increase compared to the previous week. The volume of transacted frozen product reached 109,812 pounds, a significant 136.1% increase.

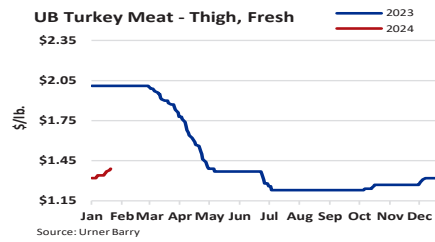
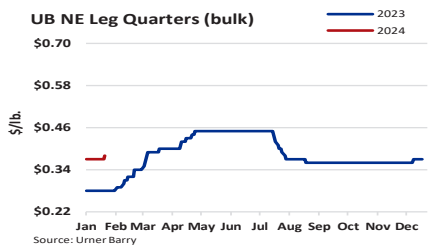
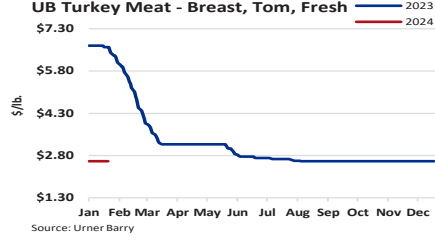
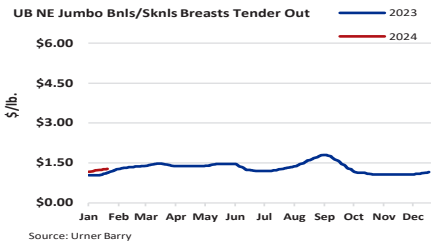
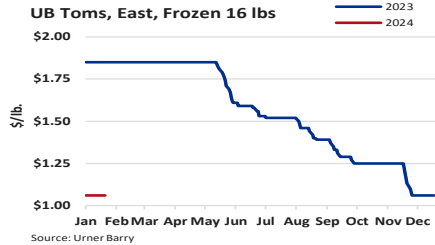
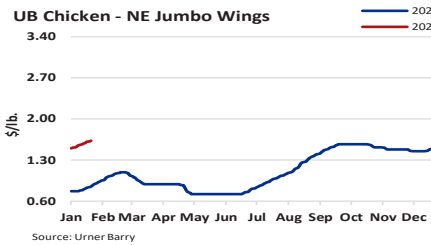
## VEAL



## FEEDS: CORN, SOY BEAN, RED WHEAT



## POULTRY



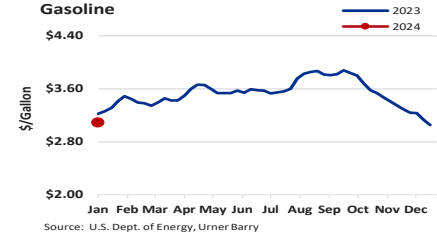
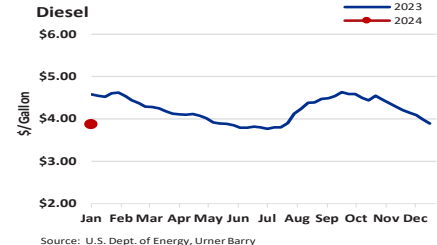
## POULTRY COMMENTARY

The WOG complex maintained a consistent rating throughout the week, with supplies fluctuating between adequate and barely sufficient. Jumbo boneless breasts witnessed low to moderate-volume sales at a slight premium. Some marketers experimented with higher asked prices for immediate and near-future deliveries. Buyers seeking select-sized boneless breasts encountered challenges in finding additional availability, even when presenting premium-facing bids. Tenders and wings of all sizes continue to fall short of buying needs, warranting a full steady rating. The same holds true for chunk and trim meats, particularly with a notable scarcity. 4/10 leg quarters and all packaged drumsticks changed hands at a slight overage. There are indications that bulk and frozen export leg quarters are following a similarly bullish path. Thighs and legs are firmly established at listed price points, and demand for leg and thigh meat remains active. Most negotiations and finalized bookings are concluded at slightly higher price points, indicating a solid market for these products.

Whole-body toms and hens continued to be widely available across a broad spectrum of values. This holds true for both consumer and

institutional-sized breasts as well. Ratings for both segments are about steady, pending additional transactional data. Shifting focus to parts, whole and two-joint wings are actively pursued at full market or better levels. Necks and tails are firmly established, while sellers of drums experience demand that can be described as hit-or-miss. In terms of raw materials, availability of thigh meat remains predominantly insufficient to meet buyer's needs. Seller confidence levels vary for breast meats, tenders, and fresh wing meat. Some sellers are testing slightly higher asking price in low volumes. A similar scenario is observed in the market for MST.

## 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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