

Red Meat MARKET INSIGHT

Friday, January 03, 2025

Number 01 - Volume 18

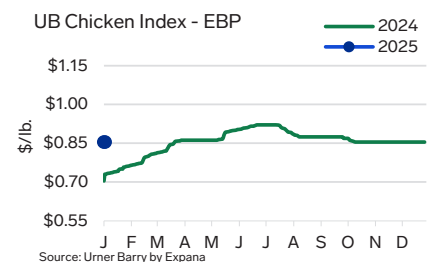
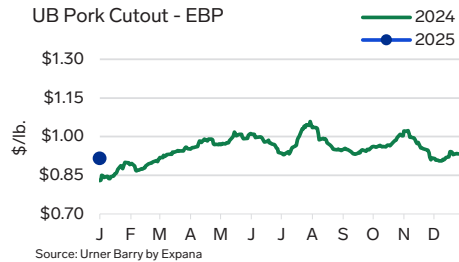
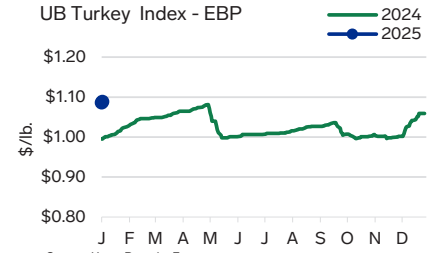
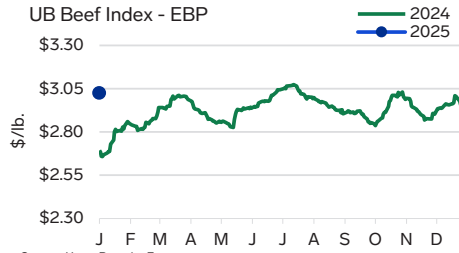
WEEKLY COMMODITY AT A GLANCE

	This Week	Last Week	Last Year
Omaha, US No 2 Yellow Corn	UNQ	4.50	4.68
CBOT Soybean	981.00	980.00	1,249.75
NYMEX Light Crude Oil	UNQ	70.60	73.81
Loose Lard, Chicago Basis	0.56	0.56	0.55
Edible Tallow, Chicago Basis	0.50	0.50	0.550
Beef Trimings, 90% Fresh	341.00	327.00	261.00
Beef Trimings, 50% Fresh	111.00	90.00	63.00
Aust/NZ Blend Cow 90% EC Spot	308.00	307.00	241.00
USDA Drop Credit	0.113	0.113	0.117
112A 3 Ribeye Roll, Lip-On CH	1,300.00	1,318.00	1,125.00
116A 3 Chuck Roll, Neck-Off CH	475.00	425.00	395.00
168 3 Round, Top (Inside) CH	365.00	347.00	273.00
180 3 Strip Loin, Bnls, 0x1 CH	785.00	775.00	745.00
136 Coarse Ground 81%	295.00	285.00	240.00
189A 4 Loin, Tenderloin, PSMO CH	1,400.00	1,580.00	1,575.00
Cattle-Fax, 6-State Fed Steer Price	0.00	193.92	193.60
Select Hams 20/23	82.00	105.00	80.00
Sq Cut Bellies 14/16	128.00	128.00	100.00
1/4 Trmd. Loins 21/dn	94.00	95.00	99.00
1/4 Tr Boston Butts 9/dn	131.00	128.00	111.00
Spareribs, Light, Fresh	155.00	150.00	133.00
Fresh Pork Trim (42%)	38.00	39.00	47.00
Fresh Pork Trim (72%)	85.00	85.00	80.00
Carcass Lamb Y4+55/65	4.20	4.20	4.45
Lamb Cuts, 204 Rack, 8-Rib, 7/Up	11.45	11.45	11.50
Lamb Cuts, 206 Shoulder, Cross Cut	4.40	4.40	3.95
Lamb Cuts, 232 Loin Trmd 4x4	7.05	7.05	7.05
Lamb Cuts, 234 Leg, Boneless	7.90	7.90	7.60
Carcass Veal, Hide-off, 255/315, NC	5.15	5.15	4.50
Veal Cuts, 306 Hotel Rack, 7-Rib 14/20	11.50	11.50	10.50
Veal Cuts, 310 Shoulder Clod 14/20	8.95	8.95	7.50
Veal Cuts, 332 Loin, 4x4 Trim 12/18	7.25	7.25	7.00
Veal Cuts, 363A Leg, TBS 3-Pc 24/32	12.65	12.65	10.25

Quotes represent the high side of Friday's trading range

RIEMANN CONTRACT SETTLEMENTS

	1/3	12/27	12/20
Weekly Imported Aust/NZ Blend Cow 90% EC 7:45	3.07	3.06	3.06
Weekly Weighted Average Blended Boxed Beef Cutout Index	317.96	311.73	308.97



EST. DAILY CATTLE SLAUGHTER

	M	T	W	TH	F	S	Total
TW	123	102	-	125	121	27	498
LW	118	38	-	119	123	36	434
*LY	0	122	126	125	124	0	498

EST. DAILY HOG SLAUGHTER

	M	T	W	TH	F	S	Total
TW	481	411	-	489	-	-	1,381
LW	490	171	-	490	487	413	2,051
*LY	1	485	470	491	487	0	1,933

EST. DAILY SHEEP SLAUGHTER

	M	T	W	TH	F	S	Total
TW	11	8	-	8	-	-	27
LW	11	8	-	8	4	-	31
*LY	0	10	8	8	5	0	31

EST. DAILY CALVES SLAUGHTER

	M	T	W	TH	F	S	Total
TW	1	1	-	1	-	-	3
LW	1	-	-	1	1	-	3
*LY	0	1	1	1	1	0	5

EST. DAILY COW & BULL SLAUGHTER

	F	S	M	T	W	TH	Total
LW	12/20	12/21	12/23	12/24	12/25	12/26	Total
TW	22	3	0	0	0	23	48
LW	12/27	12/28	12/30	12/31	1/1	1/2	Total
TW	22	9	21	0	0	22	74
*LY	0	-	25	27	27	27	106

*Last Year's numbers are rounded

FOREIGN EXCHANGE RATES

	This Week	Last Week	Last Year
Australia, Dollar	0.621	0.623	0.666
Mexico, Peso	20.731	20.181	17.032
Canada, Dollar	1.440	1.439	1.339
Japan, Yen	157.232	157.645	145.769
China, Yuan (RMB)	7.299	7.299	7.100
Brazil, Real	6.247	6.432	4.918
South Korea, Won	1,469.80	1,465.84	1,321.28
Taiwan, Dollar	32.882	32.748	31.027
European Union, Euro	1.032	1.041	1.089

COLD STORAGE STOCKS

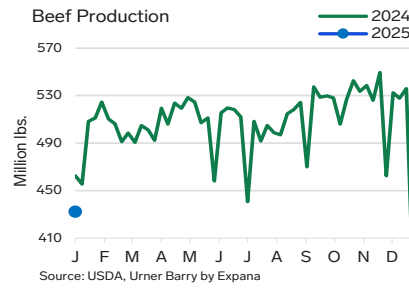
(Pounds in Thousand)	11/30/24	10/31/24	11/30/23
Beef in Freezer, Bnls	398,209	388,162	417,122
Beef Cuts	42,333	44,606	40,289
Total Beef	440,542	432,768	457,411
PORK & OTHER	10/31/24	9/30/24	10/31/23
Pork in Freezer, Picnics	6,630	5,679	6,725
Hams	116,147	155,304	113,570
Bellies	16,240	17,716	28,061
Loins	38,825	38,798	39,335
Spareribs	72,923	65,753	70,095
Butts	25,063	24,961	19,526
Trimings	36,981	34,758	37,795
Other Pork in Freezer	46,510	48,239	51,962
Total Pork	426,025	458,391	437,901
Veal in Freezer	747	790	942
Lamb & Mutton in Freezer	24,048	24,984	26,127
Total Frozen Lamb & Veal	24,795	25,774	27,069

Data Updated: December 23, 2024

URNER BARRY BY EXPANA WEEKLY RED MEAT MARKET UPDATE is available on FoodMarket.com and through Urner Barry by Expana flagship service expanamarkets.com

UB BEEF CUTOUT Jan-03 v. Dec-27				
	CHOICE	SELECT	NO-ROLL	CAB
Rib	-0.08%	-7.14%	-0.34%	0.02%
Chuck	7.29%	3.16%	4.17%	3.27%
Round	6.16%	2.74%	3.36%	3.49%
Loin	0.92%	3.97%	3.63%	4.14%
Briske	1.51%	0.42%	15.32%	1.27%
Plate	6.23%	6.23%	6.23%	0.72%
Flank	5.60%	3.84%	3.78%	2.15%
Total	3.53%	1.42%	3.70%	2.57%

BEEF



BEEF COMMENTARY

The boxed beef market found a significant uplift as sellers leveraged the back-to-back shortened work weeks. Demand in the aggregate was seen in a positive light following the holidays and in turn, led to a good amount of replenishment needs from various segments of the market. Holiday items such as ribs and tenderloins were the lone items to buck the trend in an otherwise fully steady market. With a polar vortex hitting a sizable portion of the US, there was strong support for end cuts from the retail sector.

LIVE CATTLE: Cash cattle markets saw live prices in the South at mostly \$196.00/cwt live (full range \$193.00 - \$200.00/cwt). Prices in the North were up \$1.00 to \$5.00/cwt at \$198.00 - \$200.00/cwt live (full range \$195.00 - \$200.00/cwt). Dressed sales were \$8.00/cwt higher at \$315.00/cwt (full range \$309.00 - \$315.00/cwt)

SLAUGHTER & BEEF PRODUCTION: The weekly federally inspected slaughter was 498,000 head during the abbreviated work week, compared to 434,000 head in the prior abbreviated week. Live cattle weights moved two pounds higher to 1433 pounds. Dressed weights increased one pound from last week to 870 pounds.

RIBS: Ribs continued to see seasonality take hold and largely brought prices lower across all quality grades. Although, prices have now entered the new year at record prices for the month of January for both boneless and bone-in cuts. Choice export ribs currently sit nearly 24% higher than the same time last year, with boneless ribs sitting modestly lower at roughly 12% higher than the same time last year.

CHUCKS: Items within the chuck found a solid footing this week as retail replenishment helped buoy prices. Shoulder clods, chuck rolls, and clod tenders all saw appreciation behind a limited number of offerings. On top of that, lean material continued to be cited short in the market prompting grinders and processors alike to seek out alternatives to trim.

ROUNDS: The round complex fared similarly to its chuck counterpart. Retail replenishment coupled with a short work week gave uplift to the majority of the round complex. Grinding needs added an additional layer of support, giving way to higher prices for inside rounds, outside rounds, eye of rounds, and peeled knuckles.

LOINS: Items within the loin were relatively muted. Tenderloins being the exception, came under some seasonal downward pressure. Select cuts on the other hand found some uplift as sellers worked to close some of the premium spread between grades. Top Butts saw a modest amount of appreciation, mainly driven but the shortage of offerings on the market.

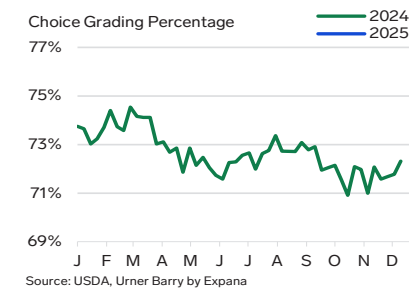
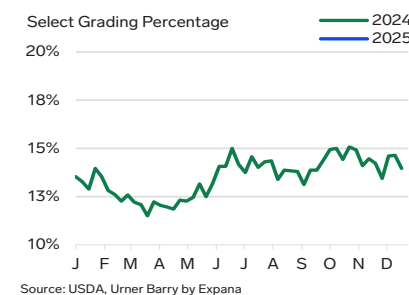
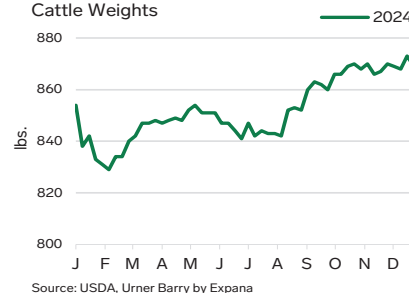
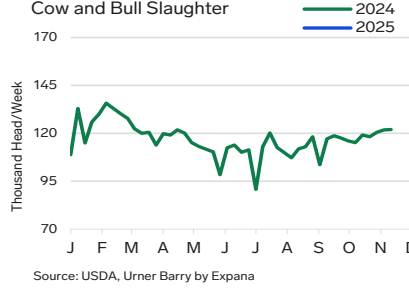
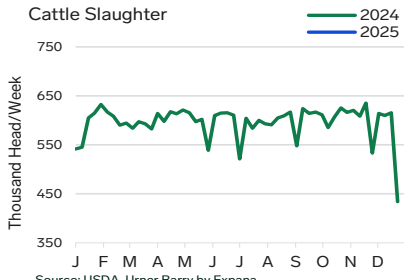
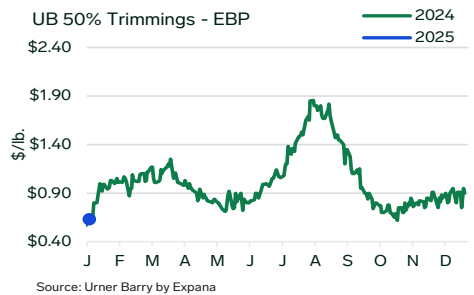
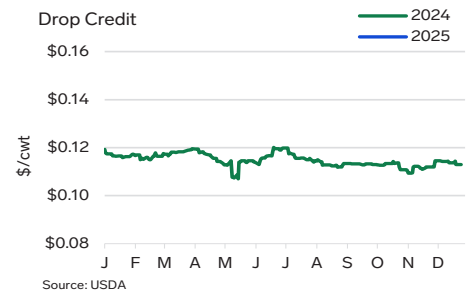
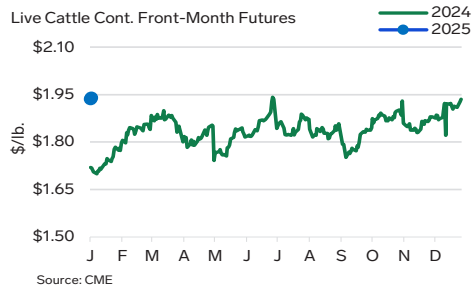
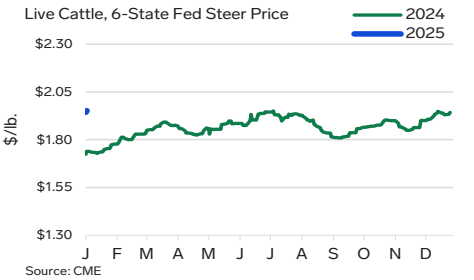
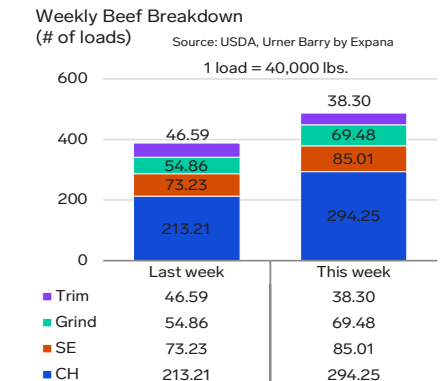
GROUND BEEF: Coarse grinds found uplift towards the latter half of the week as demand ramped up in a significant way. The combination of increased demand and a short work week gave sellers all the leverage needed to push prices higher across all blends of coarse grinds. When looking at year-ago prices, primal sourced blends on average are only up about 7% year-over-year but commodity blends are up nearly 17% on average with 73% and 81% leading the way at 24% above the same time last year.

BONELESS BEEF: Leaner boneless beef was generally firmer this week as supplies were tighter than expected. The market for fresh 50s moved higher as the week progressed. Availability was clearly affected by the two short kill weeks. This week's cattle slaughter came in at 498,000 head.

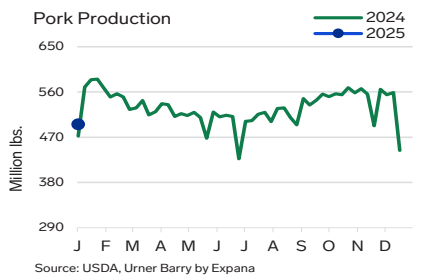
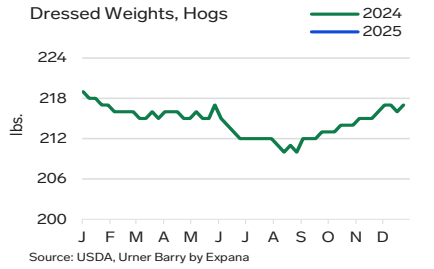
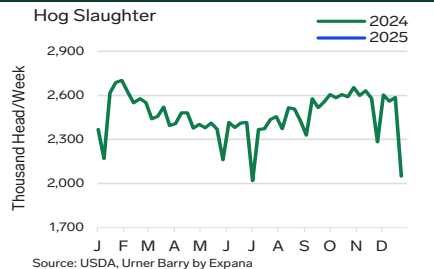
UB BEEF CUTOUT-CH/SE SPREAD (\$/cwt)

	M	T	W	TH	F
TW	32.97	35.13	-	33.26	34.07
*LW	32.97	30.39	-	27.04	27.30

*Last Week's numbers are rounded

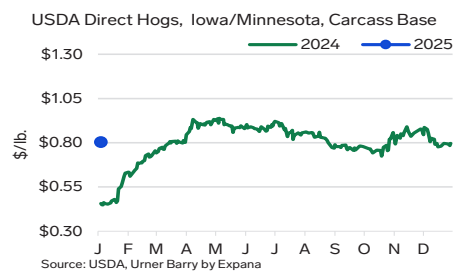
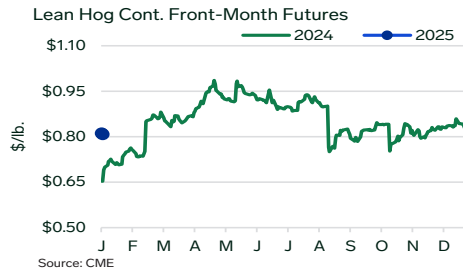


PORK PRODUCTION

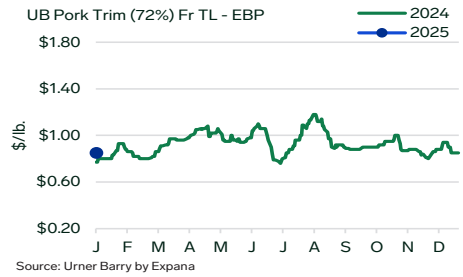
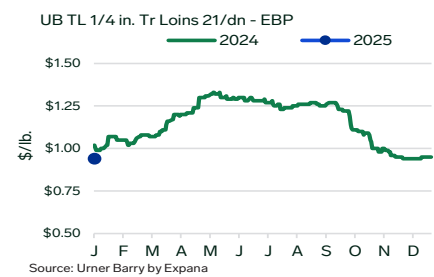
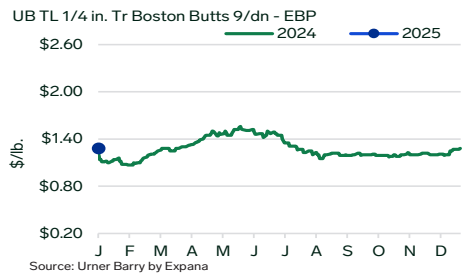
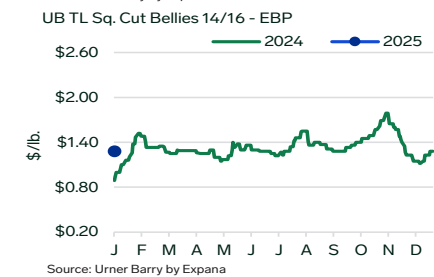
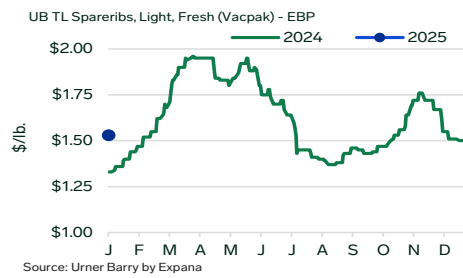
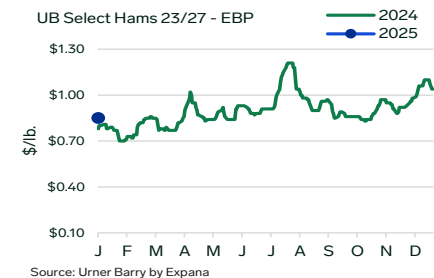


LIVE HOGS & CUTOUT

PORK CUTOUT	Dec-27	Jan-03	Change
Loin	83.020	83.080	0.060
Butt	106.370	106.840	0.470
Picnic	87.920	83.240	-4.680
Sparerib	140.580	150.600	10.020
Ham	88.440	80.220	-8.220
Belly	121.360	121.340	-0.020
Cutout Value	93.293	91.279	-2.014



PORK PROCESSING ITEMS & RETAIL CUTS



PORK COMMENTARY

In the pork market this week, reduced hog slaughter due to the New Year's holiday, decreasing cutout values, and reduced production volumes impacted the pork market. Urner Barry's pork carcass cutout decreased by 2.2 percent during the week.

PORK PRODUCTION: Pork production for the week ending 1/4/2025 was estimated to be 495.6 million pounds. This would be 11.6% lower than last week, and 4.3% less than this same week a year ago. Live hog weights averaged 291 pounds for the week, which was equal compared to last week, and 3 pounds lighter than this same week a year ago.

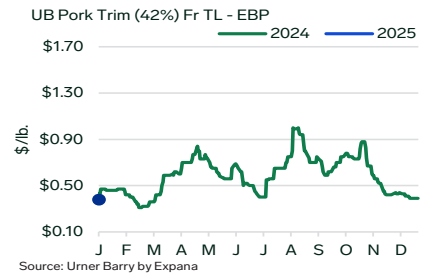
GREEN MEATS: In the green meat complex bone-in hams were barely steady to weak, as supplies were ample with domestic buying decreasing post-holiday. Boneless hams were steady, despite some opinions of tighter post-holiday supply dynamics and elevated input costs in December possibly impacting price levels. Bellies were steady, maintaining wider ranges as supplies varied by location. In trim, 42s and boneless picnics were softer, as declining seasonal demand takes effect, while 72s were slightly stronger, with narratives of slightly tighter supplies amid reduced production schedules for the holidays.

HAMS: Bone-in hams were \$23.50/cwt to \$24.50/cwt lower, while boneless ham items were steady.

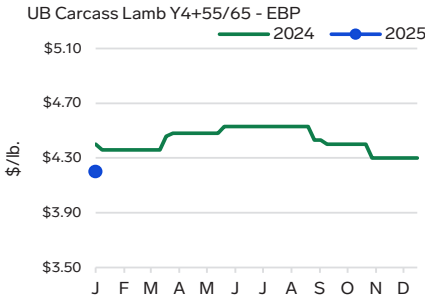
BELLIES: Skinless bellies were steady.

TRIMMINGS: 42s were \$0.50/cwt weaker, while 72s were \$0.50/cwt stronger. Boneless picnics were \$8.50/cwt lower.

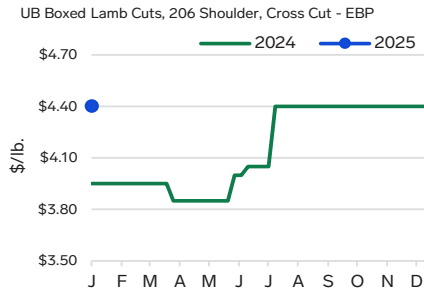
RETAIL: 1/4" bone-in loins were \$1.50/cwt weaker, while 1/8" bone-in loins were static. Boneless strap-ons were \$4.00/cwt lower, while strap-offs were \$4.00/cwt higher. Bone-in sirloins were steady, while boneless sirloins were also unchanged. Tenderloins were steady. 1/4" bone-in butts were \$2.50/cwt stronger and boneless butts were \$4.00/cwt weaker. Light spareribs were \$5.00 stronger, while medium spareribs were \$13.00/cwt higher.



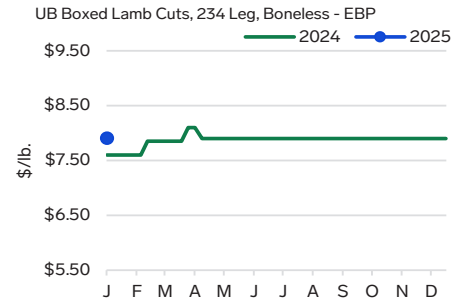
LAMB



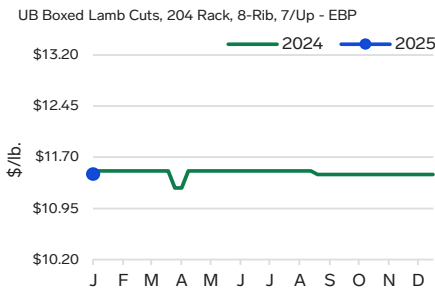
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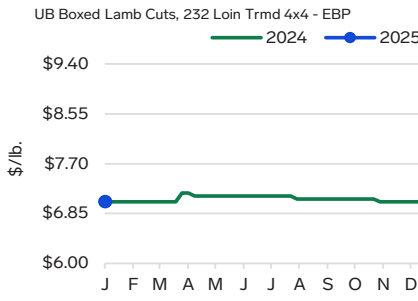
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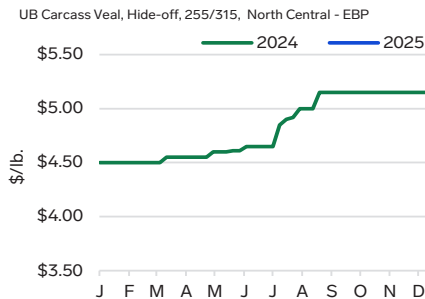
Source: Urner Barry by Expana

LAMB & VEAL COMMENTARY

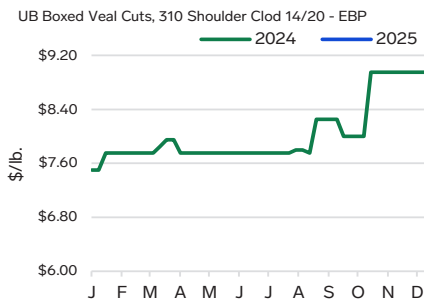
The boxed veal market was largely unchanged this week. Carcasses prices also went largely unchanged. Most market participants indicated that movement was on the light side due to the holidays. According to the USDA Carlot Veal Carcass report, total fed veal slaughter for the week ending December 28, 2024, reached 1,574 head, a 13.52% decrease from the previous week. Average weights declined by 6.4 pounds week-over-week, bringing the average to 284.0 pounds.

In the domestic lamb market this week, carcasses were barely steady to weak, while boxed cuts remained generally unchanged, though lighter ribs showed slightly softer pricing. Some market participants anticipate that weaker pricing may become more widespread across this protein sector. According to the latest USDA report, fresh lamb cuts (negotiated sales) totaled 492,839 pounds, reflecting a 3.5% decrease from the previous week. Meanwhile, trade volume for frozen products reached 69,014 pounds, marking a 17.1% week-over-week decrease. Lamb slaughter totaled 31,000 head, 7,000 fewer than the prior week, with average weights holding steady at 121 pounds—unchanged from the previous week but 5 pounds heavier than last year.

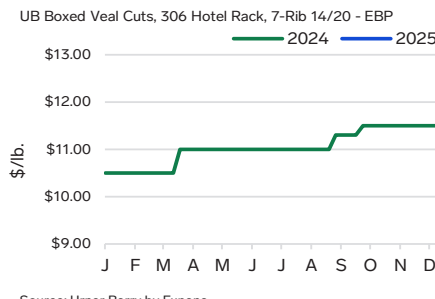
VEAL



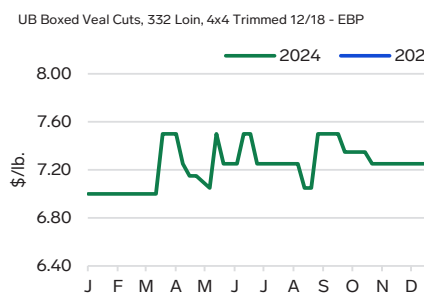
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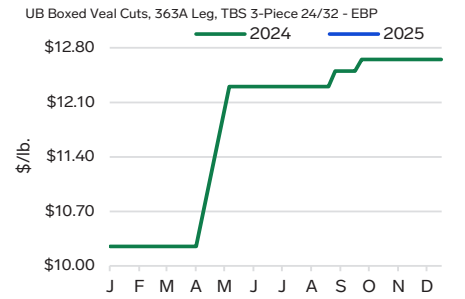
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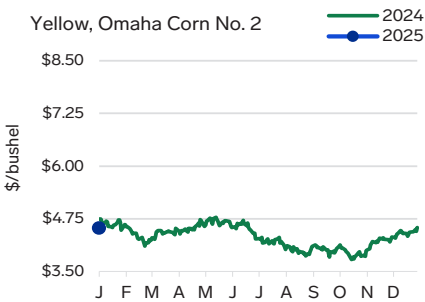


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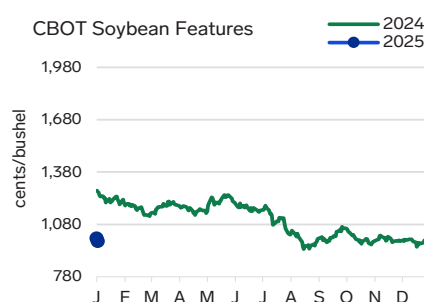


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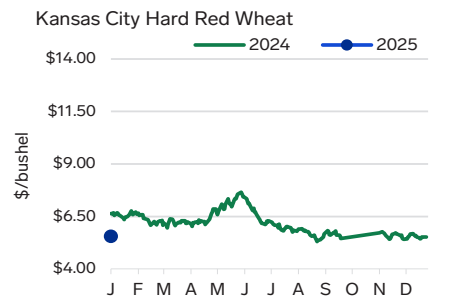
FEEDS: CORN, SOY BEAN, RED WHEAT



Source: CME

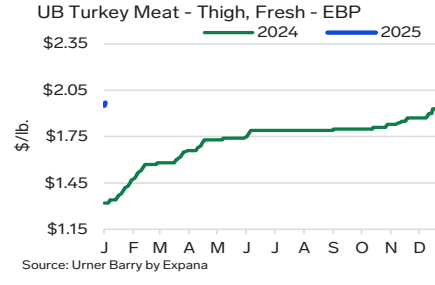
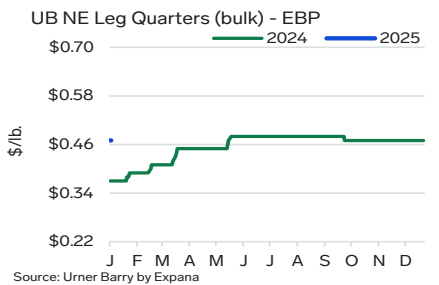
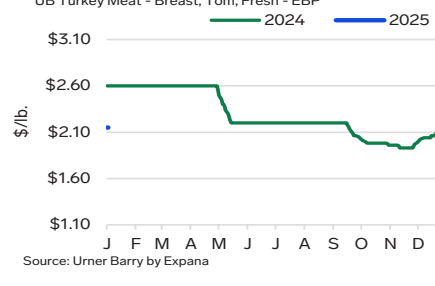
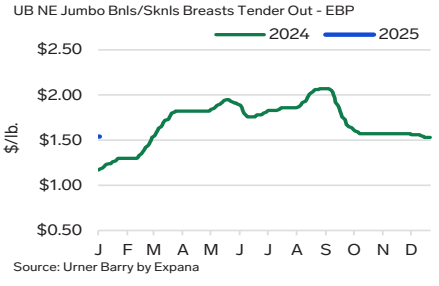
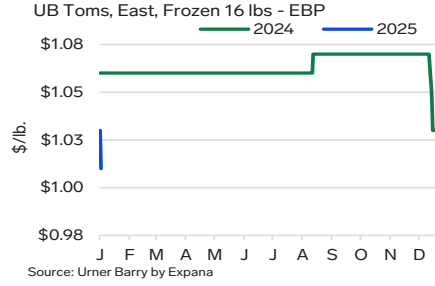
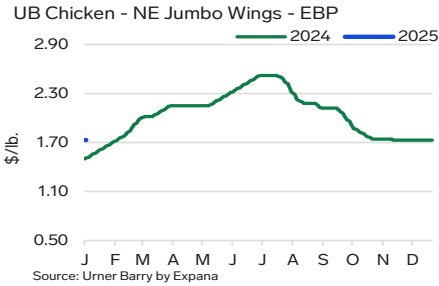


Source: CME

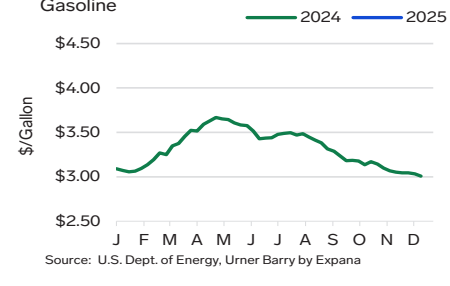
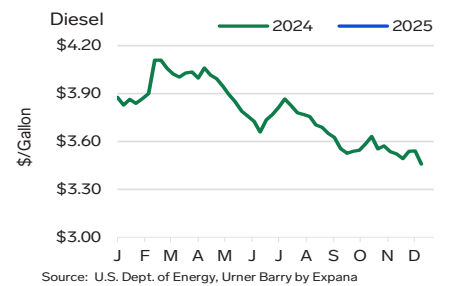


Source: KCBT

POULTRY



ENERGY



POULTRY COMMENTARY

This week's chicken market was generally uneventful from a price movement perspective, with an increasingly bullish sentiment expressed when it came to WOGs and the front half items. The WOG, boneless breast meat, tender, and wing markets were all well-supported by an active call from retail buyers. Supplies were limited by the short processing week, and some higher prices for jumbo boneless were reported early in the week. However, near the end of the week participants treaded somewhat cautiously in anticipation of potential Saturday harvests. The chunk and trim meat markets traded in an at least steady manner, and some participants even noted some difficulty fulfilling requests for production of the latter. The bone-in back half items traded irregularly through much of the week, driven by export restrictions. With that said, by the end some stabilization had started to occur as retailers actively called for production, especially when it came to drumsticks. The thigh meat and leg meat markets were pressured through much of the week and quotations were adjusted lower. At the end of the week, increased retail activity looked to possibly lend some support to the thigh meat market while demand for leg

meat remained seasonably lackluster.

Frozen whole turkeys continued to be uncovered at lower-trending prices, though a large range of asking prices remained in play. Offerings of consumer and institutional-sized breasts were limited. Most parts were very tight and difficult to come by, and no matter how much some buyers searched, they were unable to secure production of certain items until March. This resulted in quotations for nearly all parts with the exception of livers, hearts, and gizzards being increased over the course of the week. A similar situation was seen with raw materials. Fresh and frozen tom breast meat and thigh meat were highly sought after, with very limited offerings available to fulfill buyer requests. This influenced a lot of seller confidence and prices were raised. Similarly, while fresh tenders traded sideways, frozen tenders were held for premium values. Quotations for fresh and frozen breast trim, scapula, and wing meat were also adjusted in response to an active call alongside tight inventories. The same could be said of fresh and frozen MST.

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