

Friday, January 06, 2023

Number 01- Volume 16

WEEKLY COMMODITY AT A GLANCE

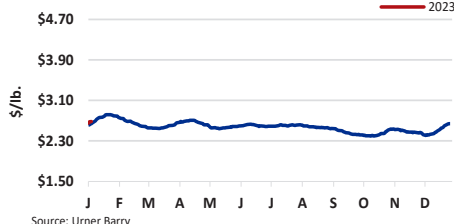
	This Week	Last Week	Last Year
Omaha, US No 2 Yellow Corn	UNQ	7.29	6.08
CBOT Soybean	1,501.50	1,519.25	1,401.50
NYMEX Light Crude Oil	73.77	80.26	78.90
Loose Lard, Chicago Basis	0.80	0.80	0.79
Edible Tallow, Chicago Basis	0.84	0.84	0.76
Beef Trimmings, 90% Fresh	250.00	246.00	280.00
Beef Trimmings, 50% Fresh	110.00	105.00	108.00
Aust/NZ Blend Cow 90% EC Spot	235.00	238.00	295.00
USDA Drop Credit	0.140	0.142	0.139
112A 3 Ribeye Roll, Lip-On CH	1,250.00	1,250.00	870.00
116A 3 Chuck Roll, Neck-Off CH	390.00	390.00	380.00
168 3 Round, Top (Inside) CH	290.00	290.00	300.00
180 3 Strip Loin, Bnls, Ox1 CH	750.00	700.00	710.00
136 Coarse Ground 81%	250.00	220.00	270.00
189A 4 Loin, Tenderloin, PSMO CH	1,650.00	1,650.00	1,310.00
Cattle-Fax, 6-State Fed Steer Price	155.55	155.91	135.26
Select Hams 20/23	77.00	86.00	45.00
Sq Cut Bellies 14/16	106.00	106.00	130.00
1/4 Trmd. Loins 21/dn	105.00	111.00	79.00
1/4 Tr Boston Butts 9/dn	124.00	126.00	112.00
Spareribs, Light, Fresh	132.00	131.00	180.00
Fresh Pork Trim (42%)	62.00	60.00	48.00
Fresh Pork Trim (72%)	88.00	81.00	87.00
Carcass Lamb Y4+55/65	4.46	4.46	5.31
Lamb Cuts, 204 Rack, 8-Rib, 7/Up	12.25	12.75	15.25
Lamb Cuts, 206 Shoulder, Cross Cut	4.55	4.55	4.75
Lamb Cuts, 232 Loin Trmd 4x4	8.50	8.50	11.00
Lamb Cuts, 234 Leg, Boneless	7.00	7.00	9.60
Carcass Veal, Hide-off, 255/315, NC	4.40	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

	1/6	12/30	12/23
Weekly Imported Aust/NZ Blend Cow 90% EC 7:45	2.36	2.37	2.37
Weekly Weighted Average Blended Boxed Beef Cutout Index	278.58	272.44	260.25

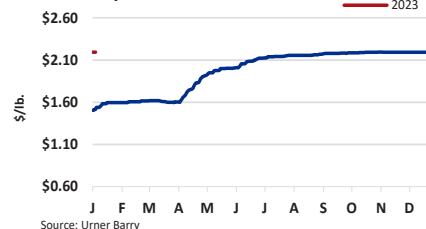
UB Beef Index



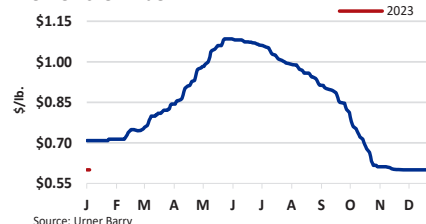
UB Pork Cutout



UB Turkey Index



UB Chicken Index



EST. DAILY CATTLE SLAUGHTER

	M	T	W	TH	F	S	Total
TW	7	126	125	127	125	53	563
LW	6	128	128	126	122	37	547
*LY	107	116	114	112	111	60	619

EST. DAILY HOG SLAUGHTER

	M	T	W	TH	F	S	Total
TW	25	433	475	490	453	420	2,296
LW	19	482	484	480	485	244	2,194
*LY	452	466	462	462	451	259	2,552

EST. DAILY SHEEP SLAUGHTER

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

EST. DAILY CALVES SLAUGHTER

	M	T	W	TH	F	S	Total
TW	0	1	1	1	1	0	4
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	12/23	12/24	12/26	12/27	12/28	12/29	Total
	25	2	1	27	28	28	111
TW	12/30	12/31	1/2	1/3	1/4	1/5	Total
	27	12	3	28	30	29	129
*LY	1	0	24	26	21	26	98

*Last Year's numbers are rounded

FOREIGN EXCHANGE RATES

	This Week	Last Week	Last Year
Australia, Dollar	0.678	0.679	0.714
Mexico, Peso	19.238	19.523	20.460
Canada, Dollar	1.355	1.353	1.272
Japan, Yen	133.360	131.880	115.818
China, Yuan (RMB)	6.861	6.898	6.379
Brazil, Real	5.351	5.286	5.700
South Korea, Won	1,272.61	1,254.87	1,201.30
Taiwan, Dollar	30.710	30.708	27.681
European Union, Euro	1.054	1.066	1.130

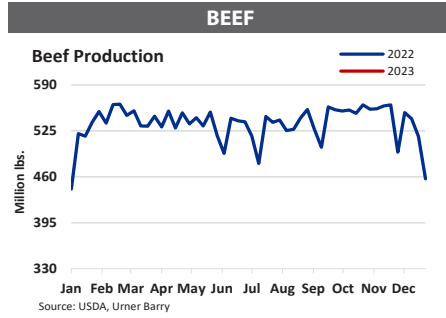
COLD STORAGE STOCKS

(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
Total Beef	490,414	510,272	521,869
PORK & OTHER	11/30/21	10/31/22	11/30/22
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
Total	402,189	509,669	454,200
Veal in Freezer	4,283	2,585	2,217
Lamb & Mutton in Freezer	23,487	28,652	29,684
Total	27,770	31,237	31,901

Data Updated: December 22, 2022

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

UB BEEF CUTOUT Jan-06 v. Dec-30				
	CHOICE	SELECT	NO-ROLL	CAB
Rib	-3.12%	1.67%	0.23%	-0.86%
Chuck	1.95%	-0.28%	-0.37%	0.15%
Round	2.59%	3.55%	3.51%	2.37%
Loin	3.95%	1.37%	1.02%	2.73%
Brisket	1.77%	1.77%	5.52%	-4.47%
Plate	2.02%	2.02%	2.02%	0.76%
Flank	3.28%	1.01%	1.05%	-1.16%
Total	1.51%	1.44%	1.23%	0.80%



BEEF COMMENTARY

The boxed beef market found pockets of robust buying throughout the week around a handful of items as replenishment efforts were on-going from various channels. Performance through the holidays was better than expected by most and led sellers to have bullish undertones throughout the week. Although the demand picture continued to linger over a lot of heads given the date on the calendar combined with a bleak economic picture. Nonetheless, it has been tough to get a gauge on the consumer as foodservice is said to be in good standing and retail for the most part has been purchasing on a consistent basis. The question now, once the bills start to come in – do we continue to see a resilient consumer during these inflationary times.

LIVE CATTLE: Trade was steady in the South at \$157.00/cwt (full range \$156.00 to \$157.00/cwt). Prices in the North were steady to \$1.00 higher at \$158.00 to \$160.00/cwt live (full range \$153.00 to \$160.50/cwt). Dressed trade took place at mostly \$252.00/cwt (full range \$248.00 - \$254.00) steady to \$2.00 higher than the week prior.

SLAUGHTER & BEEF PRODUCTION: The weekly federally inspected slaughter was 563,000 head. Live weights ended the week down three pounds to 1387 pounds. Dressed weights were down two pounds to 834 pounds.

RIBS: Ribs began to show some seasonal weakness towards the end of the week but this appeared isolated towards bone-in items. The replenishment efforts after the holidays appeared to keep this area from seeing an aggressive correction as needs for spot material about matched availability. The forward period saw considerable discounting which may showcase what's to come as holiday favorites begin to fall out of favor.

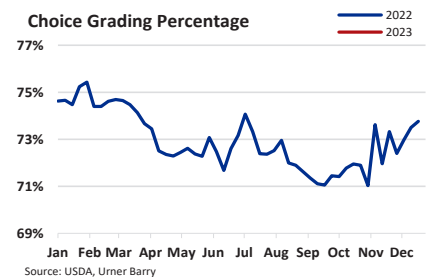
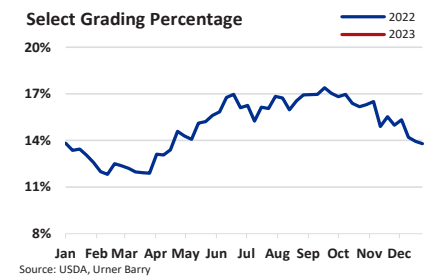
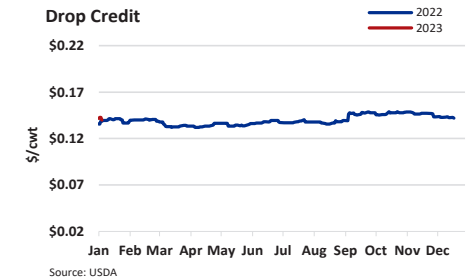
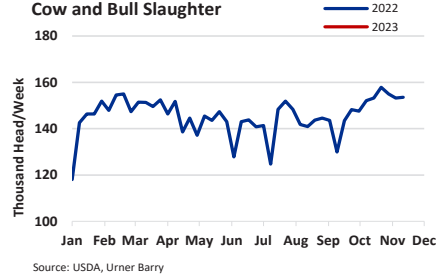
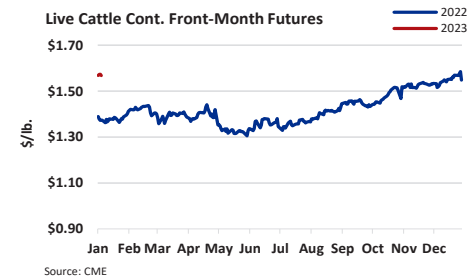
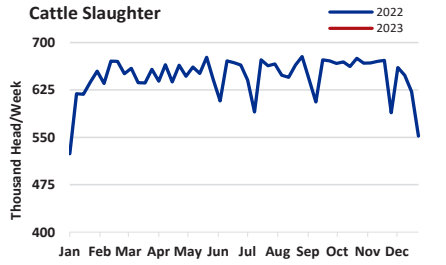
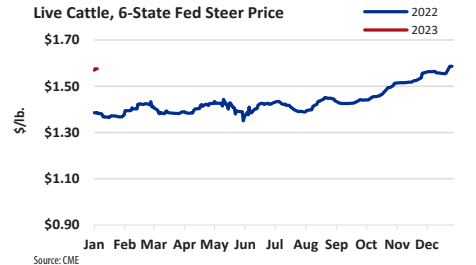
CHUCKS: The chuck complex was unsettled this week. There were isolated instances of strong buying throughout the week but by the end asking prices began to show a bit of weakness. Clods and chuck tenders saw the majority of quotation changes higher.

ROUNDS: Weather more recently has not given confidence to retailers to feature roast items. As we move towards the colder months on the calendar, demand began to ramp up around roast items this week. Flats, eyes, and peeled knuckles all moved higher on the week on a combination of factors – cooler weather beginning to take hold again and the overall tighter supply picture.

LOINS: Loins were once again front and center this week as ribs and tenderloins are no longer driving the conversation or market for that matter. Foodservice as well as retail were said to be looking for more cost-conscious buys – strips, shortloins and top butts seemed to fit the description.

GROUND BEEF: Coarse grinds moved in much of the same fashion from the week prior. Primal sourced material was rangebound throughout the week with 73% and 81% moving higher on lighter supplies.

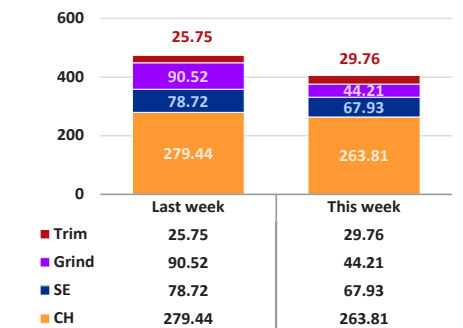
BONELESS BEEF: The market for fresh 90s was full steady for the week as there was a noticeable uptick in demand, while supplies were being cited as short in certain instances. The fresh 50s market was steady to full steady as on light offerings and active demand.



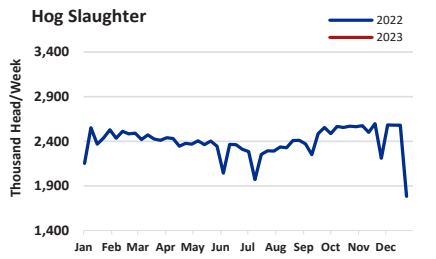
UB BEEF CUTOUT-CH/SE SPREAD (\$/cwt)					
	M	T	W	TH	F
TW	-	33.23	34.07	32.49	32.64
*LW	-	35.54	31.43	32.42	32.00

*Last Week's numbers are rounded

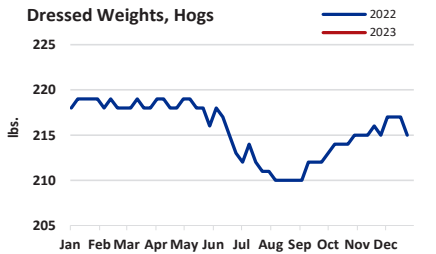
Weekly Beef Breakdown (# of loads) Source: USDA, Urner Barry
1 load = 40,000 lbs.



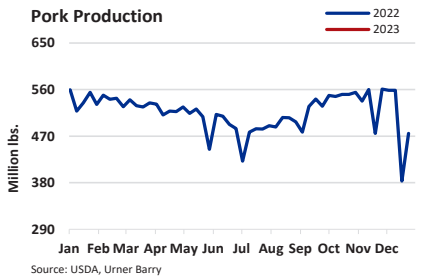
PORK PRODUCTION



Source: USDA, Urner Barry



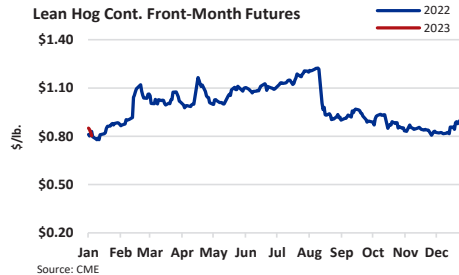
Source: USDA, Urner Barry



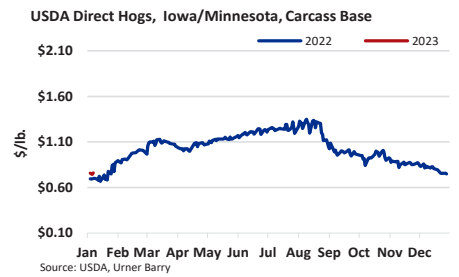
Source: USDA, Urner Barry

LIVE HOGS & CUTOUT

PORK CUTOUT	Dec-30	Jan-06	Change
Loin	88.520	85.660	-2.860
Butt	105.510	102.660	-2.850
Picnic	86.670	82.000	-4.670
Sparerib	125.820	124.370	-1.450
Ham	84.540	81.070	-3.470
Belly	98.070	97.440	-0.630
Cutout Value	88.551	86.031	-2.520

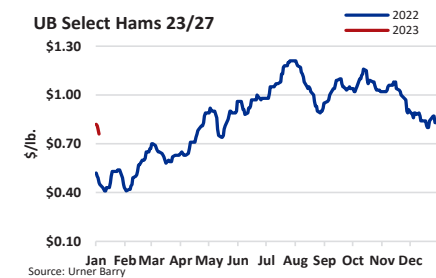


Source: CME

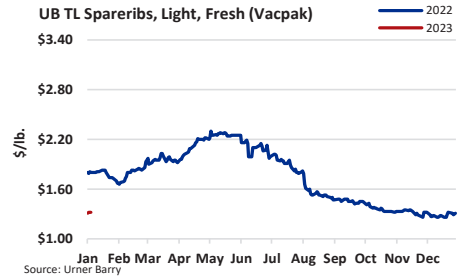


Source: USDA, Urner Barry

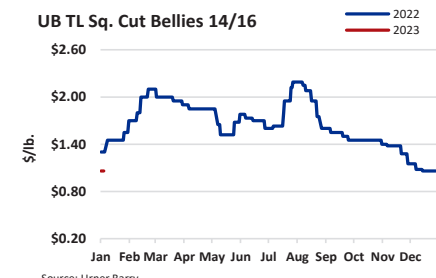
PORK PROCESSING ITEMS & RETAIL CUTS



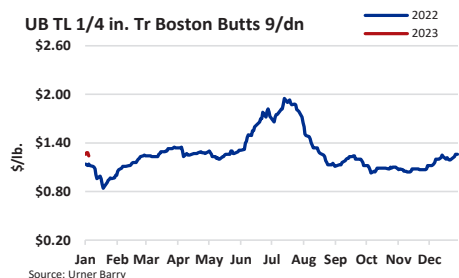
Source: Urner Barry



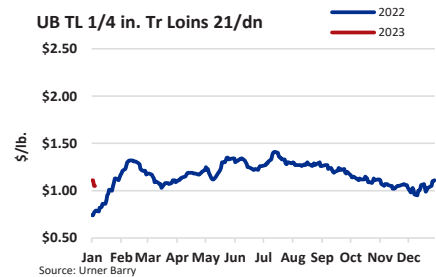
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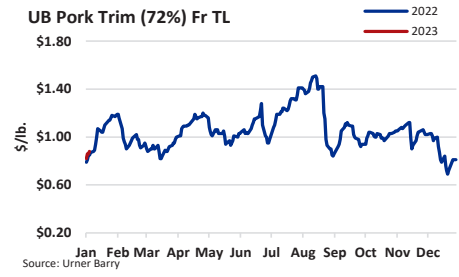
Source: Urner Barry



Source: Urner Barry



Source: Urner Barry



Source: Urner Barry

PORK COMMENTARY

This week in pork, recently reduced slaughter figures which resulted in tight supplies, varying degrees of export demand, and post-holiday influences impacted pork trade. Urner Barry's pork carcass cutout decreased by 2.85 percent during the week. Estimates of margins for outside purchasers of hogs on Friday were \$10.11/head while margins for vertically integrated packers were estimated at -\$29.31/head.

PORK PRODUCTION: Pork production for the week ending 01/07/2022 was estimated to be 495.9 million pounds. This was 4.3 percent more than last week and an 11.4 percent decrease from a year ago. Live hog weights averaged 291 pounds for the week, which was one pound lighter than last week and three pounds below the same period a year ago.

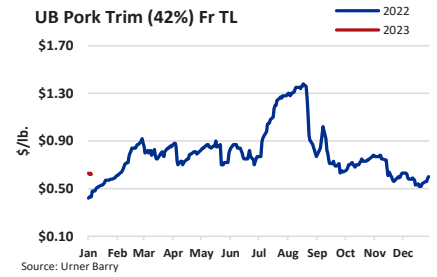
GREEN MEATS: In the ham category, reduced processor and export demand for bone-in hams resulted in fully adequate supplies, and thus put pressure on the cut. For boneless hams, supportive export demand was witnessed, which lent support to the category. In the belly market, an unsettled tone applied amid additional supplies on the market and fair at best demand. In trim, a steady to firmer call was witnessed for 42s and 72s while boneless picnics were barely steady on reduced processor interest.

HAMS: Bone-in ham values were \$7.00/cwt to \$9.00/cwt weaker, while boneless cuts were \$1.50/cwt to \$2.00/cwt firmer.

BELLIES: Skinless bellies were \$3.00/cwt to \$4.50/cwt weaker.

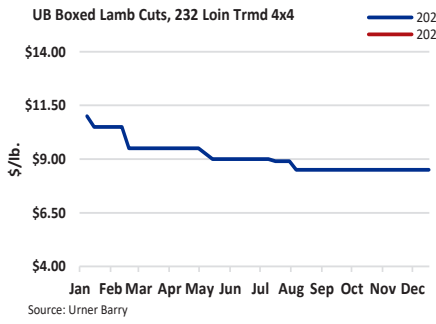
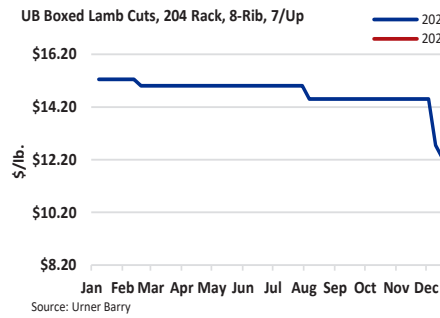
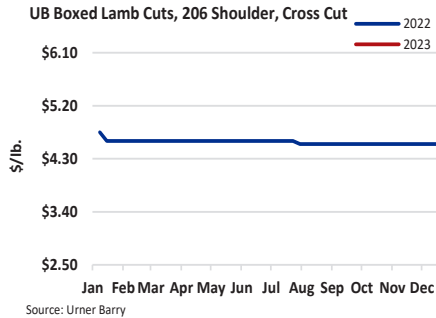
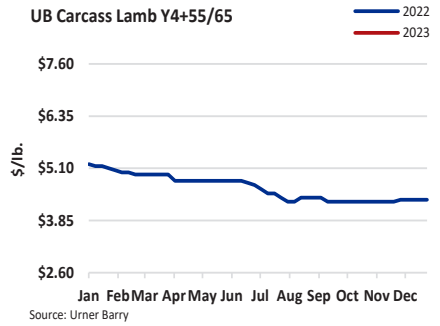
TRIMMINGS: 42s were \$2.50/cwt firmer while 72s also increased \$7.50/cwt. Meanwhile, boneless picnics were \$3.00/cwt weaker.

RETAIL: ¼ inch bone-in loins were \$5.50/cwt weaker while 1/8-inch cuts decreased \$1.00/cwt. Boneless strap-ons decreased \$2.00/cwt while strap-offs were generally unchanged. Bone-in sirloins were \$3.50/cwt weaker while boneless sirloins were \$1.00/cwt lower. Tenderloins were \$5.00/cwt higher on average. 1/4" bone-in butts declined \$4.50/cwt while boneless butts lost \$4.00/cwt. Light spareribs were up \$1.50/cwt while medium spareribs were down \$4.50/cwt.



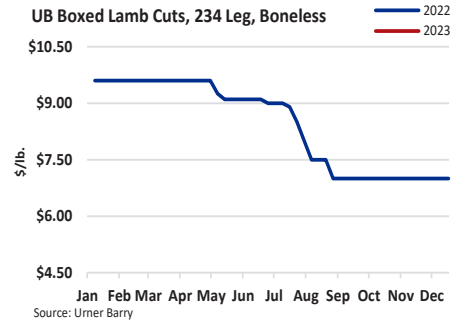
Source: Urner Barry

LAMB

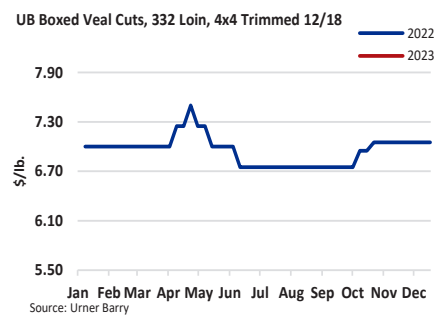
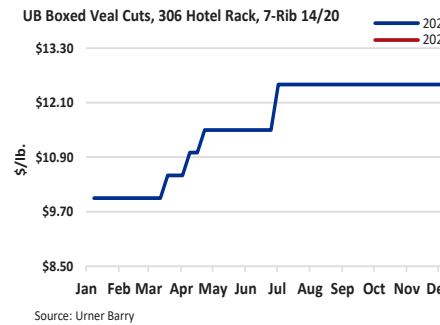
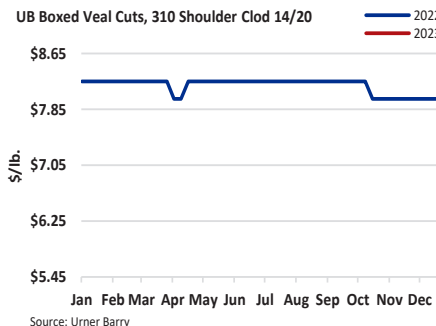
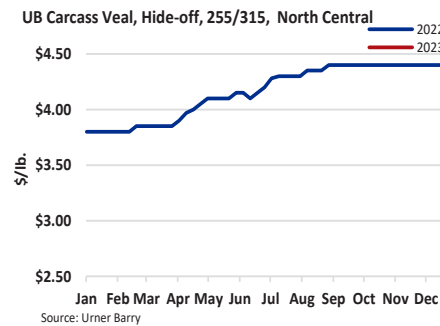


LAMB COMMENTARY

In the domestic lamb market, one word defined the week: steady. Minimal changes occurred as participants lacked eventful activity as they got their feet back under them following the two straight holiday weeks. Demand from consumers remained lackluster. The notable change to Urner Barry's price sheet came in the form of a new addition, with 95/up carcasses making their debut. Prices for 95/up carcasses trended under the light sizes as heavy product remained less desirable than smaller items. In the most recent weekly Estimated Meat Under Federal Inspection Report, 26,000 head were slaughtered, which was 4,000 less than last week and 5,000 less than the same week a year ago. For weights, the figure came in at 128 pounds which is 1 pound heavier than both last week and the same week a year ago.

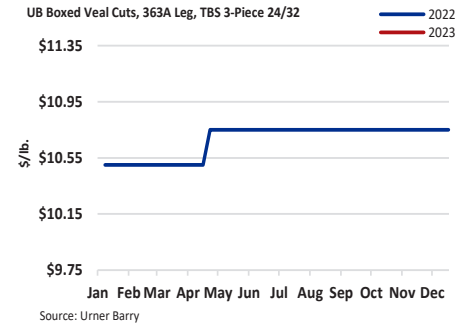


VEAL

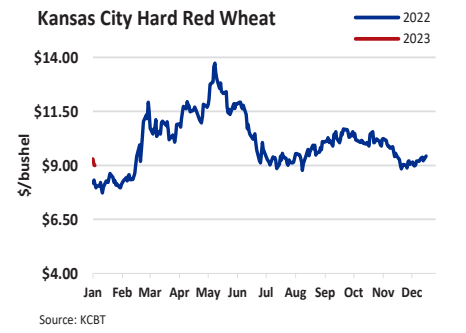
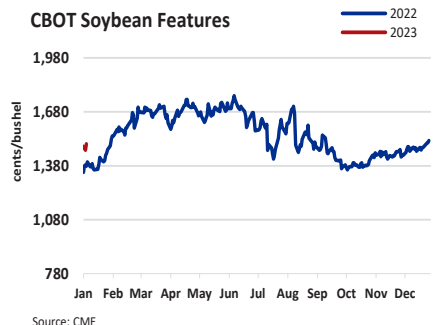
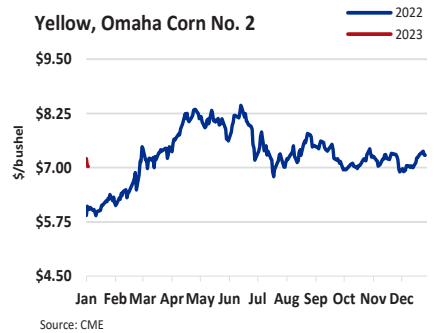


VEAL COMMENTARY

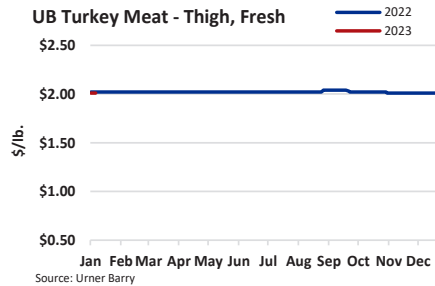
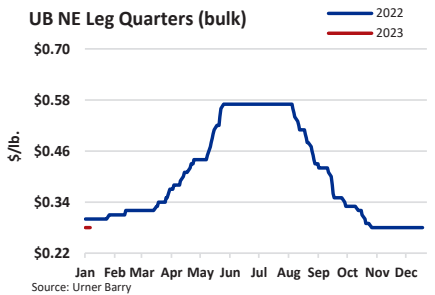
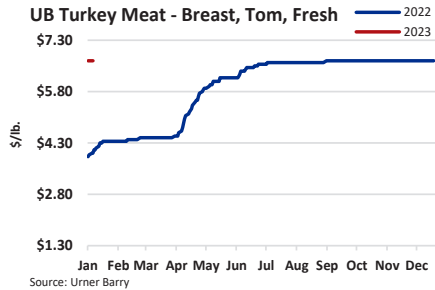
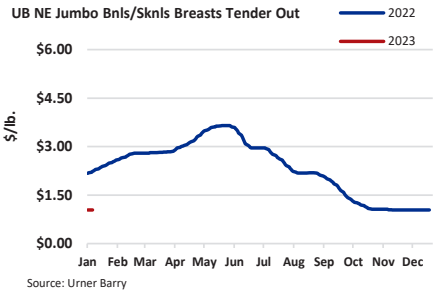
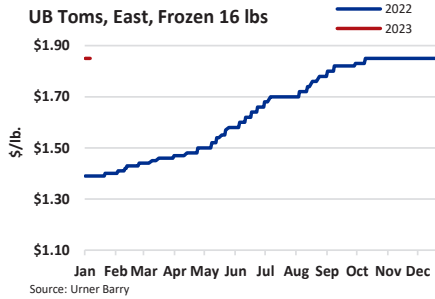
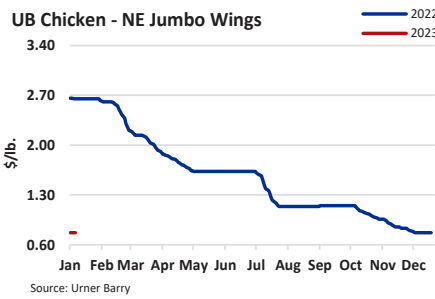
In the veal market, a steady undertone applied as overall activity was on the quiet side. Participants had the challenge of navigating around two short weeks amid the Christmas and New Year's holidays, in addition to weather storms across the country which disrupted transportation of product. All of these factors resulted in the large majority of cuts trading sideways. Carcasses were unchanged, but it's noted that pressure on their recently elevated price levels has been apparent over the previous few weeks. In the most recent weekly USDA Special Fed Veal Report, the slaughter figure came in at 2,428 head which was nearly even with the prior week. For weights, the average figure came in at 292.1 pounds, which was 3.2 pounds below the previous period.



FEEDS: CORN, SOY BEAN, RED WHEAT



POULTRY



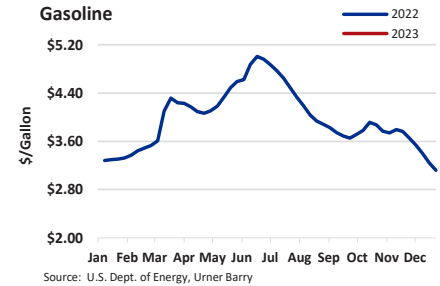
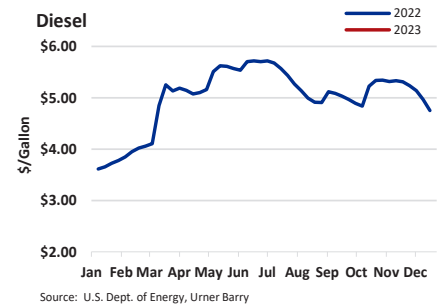
POULTRY COMMENTARY

Whole chickens and WOGs are steady overall. Smaller-sized WOGs are a bit harder to uncover consistently due to up and down bird weights. Boneless breasts and tenders are solidly maintained this week. Some sellers are modestly upping their ask prices for product delivered down the road. Wings are mostly steady, with jumbo-sized supply tightening. Modestly upward trending prices on cut wings are part of the picture. Moving to the back half of the bird, most bone-in lines are moving with ease through traditional channels. Boneless dark meat shows up with more frequency on the spot market as seasonal demand has been somewhat lacking.

Whole-body turkeys continue to be well-cleared. Consumer-sized breasts are uneventful while institutional-sized offerings are tight and rated as at least steady. Drums are held

by sellers for full market value or above. Whole wings, necks, tails, and gizzards close the week with ongoing hit-or-miss demand patterns. Tom meat availability remains tight. Demand for frozen tom, hen, and breeder meats follows along a seasonal path with some sellers demonstrating a willingness to entertain a wide range of bids. The same can be said for fresh breeder meat. Thigh meat is maintained and is rated at least steady overall.

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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